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SURVEY OF ECONOMIC AND SOCIAL CONDITIONS IN AFRICAN LDCs 1990 - 1991

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SURVEY OF ECONOMIC AND SOCIAL CONDITIONS IN AFRICAN LEAST DEVELOPED COUNTRIES 1990-1991

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I. INTRODUCTION

1. The Second United Nations Conference on least developed countries was convened in Paris, from 3 to 14 September 1990, to review progress achieved by the LDCs and, the international donor community, in the implementation of the Substantial New Programme of Action for the LDCs for the 1980s(SNPA).1/ The Conference brought into political focus the structural weaknesses of the LDCs and, other exogenous and endogenous factors, which constrained their economic growth and development performance, in the 1980s. In recognition of their developmental constraints and, the need for special measures in their favour, the international community adopted a Programme of Action and, the Paris Declaration, which expressed a unanimous determination to promote an ambitiuos development policy whose success rates in the 1990s, will depend on the effectiveness of national policies, a favourable international economic environment, and, a strengthened partnership, based on mutual commitments.2/

2. For Africa, the 1980s was the "lost decade" and the 29 African LDCs, being the most vulnerable to external shocks, and, the least able to speedily adjust to changing economic circumstances, felt a disproportionate brunt of the economic and social crisis that engulfed the region, in the 1980s. At the onset of the SNPA, in 1981, was the oil price shock of 1979/80, the impact of which continued to adversely affect the LDCs economies, throughout the 1980s. Economic growth declined consistently, especially during the first half of the 1980s, a period characterized by the recession in industrial economies, in 1980-1982, and the adverse impact of the 1982-1984 drought. In addition to the low levels of ODA flows, the poor growth performance of industrial countries resulted into reduced demand for agricultural raw materials, and consequently, the export earnings of the LDCs fell sharply, leading to acute shortages of foreign exchange resources to meet external requirements for imports and debt servicing.

3. African LDCs real GDP grew by an annual average of only 1.8 per cent, in the 1980s, which corresponded to a fall in real per capita incomes, of 0.9 per cent, per annum.3/ The LDCs' savings rates average around 4 per cent of GDP, while the average investment ratio was estimated at 16 per cent of GDP, annually. These low domestic savings and investment performance, coupled with

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1/ UN, Report of the United Nations Conference on the least developed countries, Paris, 3-14 September, 1981 (UN Publications, Sales No. E82.II.A.1).

2/ UNCTAD, "Paris Declaration and Programme of Action of the Second United Nations Conference on the least developed countries" - Second United Nations Conference on least developed countries - Paris, 3-14 September, 1990 - A/CONF.147/MISC.9

3/ By September 1990, the number of LDCs in Africa had increased from 21 in 1981 to 29, including Liberia. In December, 1990, the UN General Assembly approved the listing of Zaire and Zambia as LDCs, which brought the total number of LDCs in Africa to 31.

inadequate external financial support, implied that public expenditures for economic and social infrastructures and services, were drastically reduced. The trade deficit continuously worsened, from an estimated $5.1 billion, in 1980, to $7.7 billion, in 1990, a situation which intensified balance of payment difficulties and necessitated a series of economic stabilization measures to restore external viability. The external debt stock of the 29 African LDCs, rose from $18 billion, in 1980 to $57.2 billion, in 1990, with the debt, as a percentage of exports of goods and services, estimated at 13.3 per cent in 1990.

4. The beginning of the present decade has witnessed adverse external conditions which will undermine the success of the African LDCs in the implementation of the new Programme of Action.4/ While the LDCs Programme was being negotiated in Paris in September, 1990, Iraq had invaded Kuwait in the preceeding month, and the immediate consequence of the crisis was a near-doubling of oil prices, from a pre-invasion level of $20 per barrel to $39 per barrel, in October, 1990. Since, all the African LDCs are all oil-importers, the sudden price changes meant huge unanticipated increases in expenditures to finance the oil import bills. This involved expenditure-switching measures, affecting critical budget lines, especially in the capital account. Also, the recession in the OECD economies, and the high financial losses of DAC and non-DAC donors involved in the Gulf war; as well as shortages in global savings, will further aggravate the economic and financial difficulties of the African LDCs, in the 1990s. Multilateral financing institutions are also not expected to be a major source of external assistance for the African LDCs, especially during the latter half of the 1990s. These conditions are exepected to be the major determinants of economic performance of the African LDCs in the 1990s.

5. Presently, there are 31 Sub-Saharan countries5/, classified as least developed countries (LDCs), with a combined population of 280 million or 44 per cent of the total population of Developing Africa, in mid-1991. The population sizes range from 0.12 million, in Sao Tome and Principe, to 52.5 million, in Ethiopia. Population density is between 106 persons per sq. km, in Sao Tome and Principe, and 260 persons per sq. km, in Rwanda. Twelve countries are land-locked6/ and, 4 are Island countries7/. African LDCs

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4/ UNCTAD, op.cit.

5/ Benin, Botswana, Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Comoros, Djibouti, Ethiopia, Gambia, Guinea, Guinea-Bissau, Equatorial Guinea, Lesotho, Liberia, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda, Zaire and Zambia.

6/ Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Lesotho, Malawi, Mali, Niger, Rwanda, Uganda and Zambia.

population growth rate is estimated to increase by over 3 per cent in the 1990s. In the 1980-1989 period, the average annual growth rate of urban population was well over 5 per cent. Average life expectancy, estimated at 49 years, is 5 years less than the average for the African region and, 15 years below the average for all developing countries. The adult literacy rate, an average of 47 per cent, is two percentage points above the Global LDCs' average, but the eradication of literacy remains a daunting challenge for the African LDCs, in the 1990s. Incidences of famine and malnutrition are widespread, and 40 per cent of pre-school children suffer from acute protein deficiencies, as compared to 16 per cent in Asia and, 4 per cent in Latin America.3/

6. This "Survey of Economic and Social Conditions in the African least developed countries, 1990-1991", is prepared as part of the regional follow-up and monitoring exercises, for the implementation of the Programme of Action, in the African region. The "Survey", which is the ninth in the series, gives an analysis of the economic and social developments in the African LDCs during the first year of the implementation of the Programme of Action. The survey is presented in six sections. Section II presents an overview of economic performance, against a background of the impact of external and internal conditions, while Section III, reviews production patterns of the main economic sectors. In Section IV, a brief synopsis of the social situation is presented, and Section V, analyzes the continued deterioration in external assistance flows and, the worsening external debt situations of the African LDCs, as well as, measures implemented by creditors in the context of an international debt strategy. The final Section VI, describes the types of economic reform measures being implemented and, the growth prospects of the African LDCs, in 1992.

II. OVERVIEW OF ECONOMIC PERFORMANCE, 1990-1991

(a) Impact of external and internal conditions

7. The economic performance of African LDCs, in the 1990-1991 period, was nowhere removed from the dismal performance of the 1980s. While the Programme of action was being negotiated in September 1990, the Persian Gulf Crisis had erupted and the immediate impact was a near-doubling of oil prices to US$39 per barrel, in October 1990. The African LDCs, being oil importers, incurred high unanticipated extra-expenditures to finance their oil import bills. In addition, it is estimated that the LDCs recorded

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3/ Cape Verde, Comoros, Equatorial Guinea (Bessi-Island), and Sao Tome and Principe.

4/ UNECA, Survey of Economic and Social Conditions in African LDCs, 1989-1990 - E/ECA/LDCs/91/1.

a significant drop in remittance transfers from the Persian Gulf region, of some US$115 million. Although the Persian Gulf war ended in January 1991, the oil price shock in 1990, will be a recurring explanatory factor for the economic performance of the African LDCs, in 1991-1993.

8. The recession in OECD countries in 1990-1991, which are the major trading partners of African LDCs, had serious repercussions on the economic performance of the LDCs. Real GDP growth rate of OECD economies stood at 2.8 per cent, in 1990 dropping to 2 per cent, in 1991. This performance was translated into a reduction in overall demand by 2 per cent. The slack in demand caused low volume of the LDCs exports and depressed international commodity prices. Consequently, the terms of trade of the African LDCs deteriorated sharply by 8.6 per cent, in 1990, and by 4.9 per cent, in 1991. As a result, the trade deficit worsened from US$7.7 billion, in 1990 to around US$8 billion, in 1991, which largely explains the severity of their balance of payments positions, in 1990-1991. The LDCs average import coverage was down to 56 per cent, in 1991 as compared to 60 per cent, in 1990 and, 72 per cent, in 1989.

Table II.1: Key Economic Indicators of African LDCS, 1988-1991

Indicators	1988	1989	1990E	1991E
Population, mid-year (Millions of inhabitants)	258.5	263.9	271.4	278.8
Real GDP growth rate, 1980=100 (% per annum)	3.2	2.2	1.1	-1.4
Domestic demand growth rate (% per annum)	2.3	0.3	2.1	-2.0
Inflation rate (% per annum)(*)	6.3	6.3	7.7	7.1
Agricultural production (FAO Index, 1985=100)	113.1	122.9	119.8	119.2
Exports (US$ Millions)	15,380	16,548	17,150	16,691
Imports (US$ Millions)	22,839	24,478	24,820	24,678
Current account balance (US$ Millions) (- for deficit)	-3,502	-3,215	-4,349	-3,685
External debt stock (US$ Millions)	63,557	66,582	74,048	75,832
Debt service ratio (as % of exports)	16.0	15.2	15.7	14.4
Memorandum items: - Population without Zaire & Zambia (Million of inhabitants)	189.3	209.5	222.5	228.8
- GDP at 1980 factor costs, without Zaire or Zambia (US$ billion)	49.1	50.4	51.7	52.7
- GDP at 1980 factor costs with Zaire & Zambia (US$ billion)	70.5	72.1	72.0	71.6

Source: ECA ; (*) Zaire and Zambia not included.

9. In addition to poor external demand, the African LDCs received less than the anticipated external financial support, especially of ODA, from OECD/DAC sources, in 1990-1991. The participation of major DAC donors in the Persian Gulf crisis involved huge financial resources, in which circumstance, their national aid-budgets were prime targets for cuts. This meant substantially lower levels of funding in support of adjustment programmes and medium-term strategies of the African LDCs, a factor which undermined the abilities of some LDCs to achieve the objectives of their reform programmes, in 1991. Also, the changed political environment and economic reforms underway in U.S.S.R. and Eastern Europe, affected external assistance flows, to such major African LDCs, as Ethiopia and Mozambique. For Mozambique, a combination of oil price rise and loss of assistance from the Eastern Block countries was estimated, by the World Bank, to cost the country around US$130 million, or 11 per cent of GDP, but government estimates put the costs in the range of US$160 to US$180 million.

10. The economic performance of the LDCs was further constrained by internal constraints related to climatic conditions, civil strife and large-scale migration of refugees. Unfavourable weather conditions, meant reduced agricultural output, which sector accounts for an average of around 42 per cent of the LDCs GDP. Value-added is estimated to have declined by 0.7 per cent, in 1990 and 0.2 per cent, in 1991. This low output, as well as shortage of foreign exchange, adversely affected input supply for the manufacturing sector, which resulted into low capacity utilization rates, averaging around 40 per cent. Manufacturing value-added (MVA) declined significantly from an increase of 4.9 per cent, in 1989, to a rise of 1.5 per cent, in 1990 and, 0.8 per cent, in 1991.

(b) Overall growth trends

11. Overall, real GDP growth rate (1980 prices) of the LDCs, while recording an increase of only 1 per cent, in 1990, as compared to 2.2 per cent, in 1989, dropped by 1.4 per cent, in 1991. The economic performance was, however, varied in the 1990-1991 period, depending on the severity of the set-backs experienced by the individual countries. With the civil wars in Liberia and Somalia, economic activities were at a virtual standstill, while infrastructural facilities were ravaged, leaving no room for any meaningful production of even basic consumer goods and services. Rebel incursions into Sierra Leone is costing the government some Le2.3 billion, in 1991/92, in extra expenditures, to repel the rebels3/. In contrast, despite the presence of 1 million Mozambican refugees in Malawi and, the drought in early 1990 which

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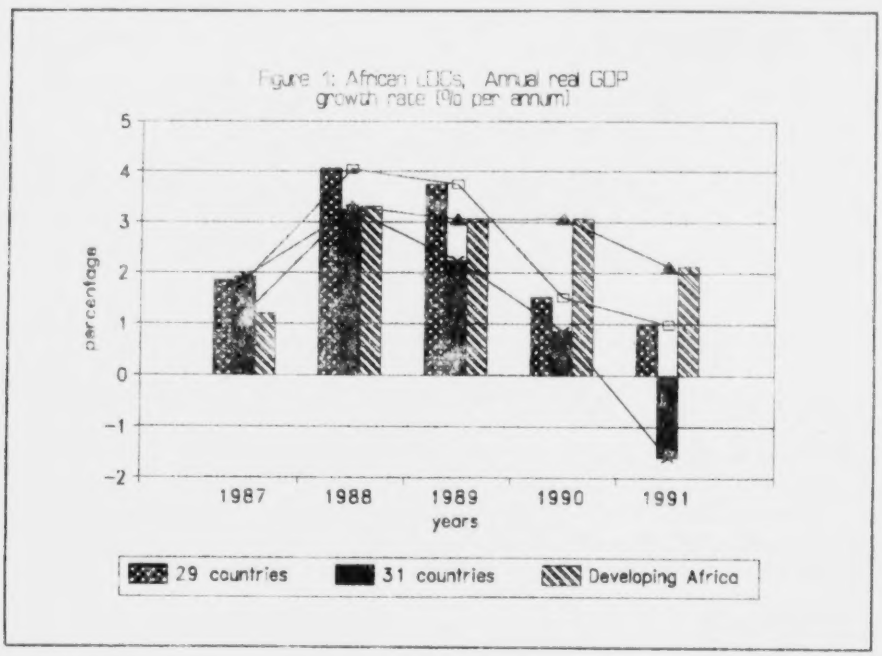
3/ Government of Sierra Leone: 1991/92 Budget Speech-28 June, 1991.

affected food supplies, the economy grew by 5.6 per cent, in 1991 while the rate of inflation declined from a high of 31 per cent, in 1988, to about 11 per cent, in 1991. This performance was underpinned by restrained financial policies and, an increasingly liberal exchange rate system.



Source: ECA

12. The financing problems of African LDCs was intensified, in the 1990-1991 period, due to their low savings capacity. Devaluation and price decontrol measures, and the resultant increases in the rate of inflation, implies that a greater portion of disposable income is consumed, with little left to save. On the whole, the average savings rate was 5.7 per cent, in 1990, increasing slightly to 7 per cent, in 1991, as compared to an average of 25 per cent for developing Africa. In ten African LDCs10/, the domestic savings performance is extremely precarious, with final consumption exceeding GDP by an average of 22 per cent, in 1990 and, 19 per cent, in 1991. Cape Verde's final consumption exceeded total output, in 1990-1991, by an average of 28 per cent, while Lesotho's GDP was 36 per cent below total consumption.

10/ Burkina FAso, Cape Verde, Central African Republic, Guinea-Bissau, Lesotho, Mauritania, Rwanda, Sierra Leone, Zaire and Zambia.

Table II.2: Distribution of African LDCs according to savings rates, 1988-1991

Savings rate (% of GDP)	1988	1989	1990	1991E
Negative	12	14	15	10
0-5	7	4	7	7
5-10	4	4	4	6
10-15	2	2	4	5
Above 15	6	7	6	3
Total	31	31	31	31

Source: ECA; (E)= Preliminary estimates

13. The causal relations between savings and investment is more pronounced in African LDCs where, the low domestic savings rate is a major determining factor of the very low investment levels . In 1990, the rate of investment, as a proportion of GDP was estimated at 15.6 per cent, but increased to 18.2 per cent, in 1991. The bulk of this increase, however, was derived from investments in rehabilitation and reconstruction activities in Uganda, and the Sudan. In Zaire, gross domestic investment decreased from US$1.6 billion, in 1990 to US$0.7 billion, in 1991 mainly because of loss of revenue and foreign exchange resources from the operations of the Copper Company, Gecamines (GCM). On average, the company's turnover accounts for 45 per cent of the yearly foreign exchange earnings and for 60 per cent of Zaire's national budget. Zambia recorded a 12.1 per cent increase in gross domestic investment estimated at US$557 million, in 1991, from a level of US$498 million, in 1990, but a high proportion of the investments went to the copper industry.

Table II.3: Distribution of African LDCs according to investment rate, 1988-1991

Investment rate (% of GDP)	1988	1989	1990	1991E
5-10	1	5	7	6
10-15	8	10	5	5
15-20	4	5	7	7
20-25	4	1	4	6
Above 25	8	10	9	7
Total	31	31	31	31

Source: ECA; (E)= Preliminary estimates

14. In recognition of these low levels of domestic savings and, limited sources of domestic investment, the African LDCs are implementing investment strategies, including privatization, the adoption of investment incentive codes, and the establishment of Export Processing Zones (EPZs). In the case of Botswana, the incentive package of the EPZ, includes capital grants towards the fixed cost of projects to a maximum of 65 per cent of capital investment. In 1991, Zambia established a stock exchange market as a vehicle to carry out its privatization exercice of selling 49 per cent of the government's shares in commercial, industrial and mining parastatals, and 40 per cent of its share in utility companies. Despite these efforts to improve the investment climate, in general, the LDCs have not succeeded in luring any significant levels of new foreign direct investment, in the 1990-1991 period, and, in most of the countries, investment flows are even negative.

(c) External trade and balance of payments

15. The share of the LDCs exports in the total exports of the region, dropped from 22 per cent, in 1989 to 17 per cent, in 1991. In value terms, the total exports of the LDCs declined from US$12.1 billion, in 1989 to US$11.6 billion, in 1990, and down to US$10 billion, in 1991. This trend was influenced by sharp declines in exports of non-fuel mineral commodities, mainly diamond. Exports of diamond was at a peak of around US$1.8 billion, in 1989 but, in 1990-1991, it declined to an average of US$1.4 billion per year. Botswana is the major LDC producer of diamond and, a reduction in the country's diamond exports by an average of 3.5 per cent, in 1990-1991, partly explains the overall decline.

Table II.4: Main export commodities of African LDCs, 1985-1991

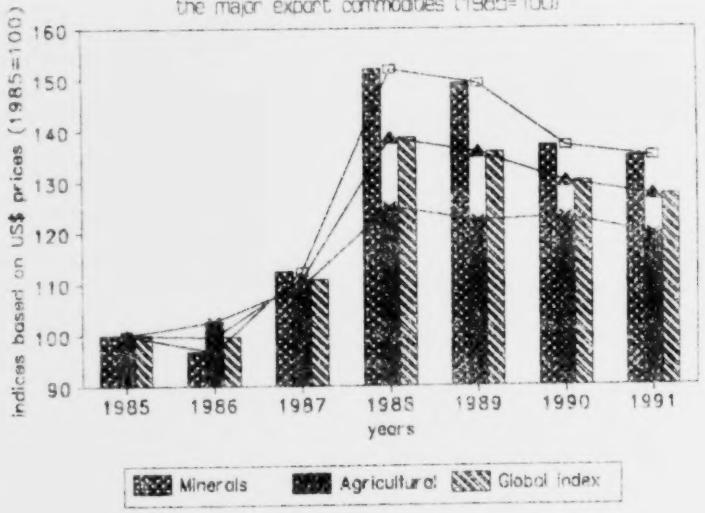
	1985	1986	1987	1988	1989	1990	1991P
	millions of US$						
Total	6655.0	7347.0	8561.0	9763.0	12147.0	11624.0	10046.6
Primary commodities	6439.6	6722.4	6757.1	7001.1	8286.8	7376.1	7283.9
of which: - minerals	3889.7	3223.2	3683.8	3970.1	5029.8	4296.6	4123.2
(of which: - fuel)	84.0	40.0	59.0	49.0	37.0	48.8	50.9
- agricultural commodities	2949.9	3499.2	3073.2	3031.0	3257.0	3079.5	3160.7
of which: - food	2617.0	3101.0	2539.0	2475.0	2411.0	2556.0	2627.5
- primary commodities	332.9	398.2	534.2	556	846	523.5	533.2
Manufactures	215.4	624.6	1803.9	2761.9	3860.2	4247.9	2762.7
	as % of the total						
Primary commodities	96.8	91.5	78.9	71.7	68.2	63.5	72.5
of which: - minerals	52.4	43.9	43.0	40.7	41.4	37.0	41.0
(of which: - fuel)	1.3	0.5	0.7	0.5	0.3	0.4	0.5
- agricultural commodities	44.3	47.6	35.9	31.0	26.8	26.5	31.5
of which: - food	39.3	42.2	29.7	25.4	19.9	22.0	26.8
- raw materials	5.0	5.4	6.2	5.7	7.0	4.5	5.3
Manufactures	3.2	8.5	21.1	28.3	31.8	36.5	27.5

Sources: - "UNCTAD COMMODITY YEARBOOK" 1991
- "DIRECTION OF TRADE STATISTICS" Yearbook 1991 (IMF)
- ECA estimates

16. A crucial factor in the down-turn in export earnings from non-fuel mineral commodities, is the depressed international prices for minerals produced by the LDCs. Guinea leads the LDCs in bauxite production and exports, followed by Sierra Leone. The price of bauxite declined by an average 8.9 per cent in 1990-1991 which adversely affected Guinea's bauxite production and exports. The price for copper, which is a major export of Zaire and Zambia, dropped by 10.8 per cent, in 1990-1991. The total value of the African LDCs copper exports was down to US$3.8 billion, in 1990-1991, from US$5 billion, in 1989. This reduction was strongly influenced by the decision of Zaire's copper giant, GECAMINE (GCM), to suspend 45 per cent of forward deliveries (100,000 tons of copper), in 1991. Zambia's total export earnings in 1990 amounted to US$1,1 billion, compared to US$1,34 billion in 1989. The drop reflects falling prices of copper, which accounts for 85 per cent of the country's total export revenue.

17. On the other hand, iron ore prices have been on the increase, but production in Liberia, a major producer, was disrupted, in 1990-1991, due to the civil war. Diamond (Botswana and Zaire), Gold (Mali and Burkina Faso) and Uranium (Niger) prices went down by 0.1 per cent, 5.9 per cent and 3 per cent, respectively, in 1991. Overall, the price index (1985 = 100) of mineral commodities exported by the African LDCs declined from 149.1 in 1989 to 136.9 in 1990, and, 134.9 in 1991.

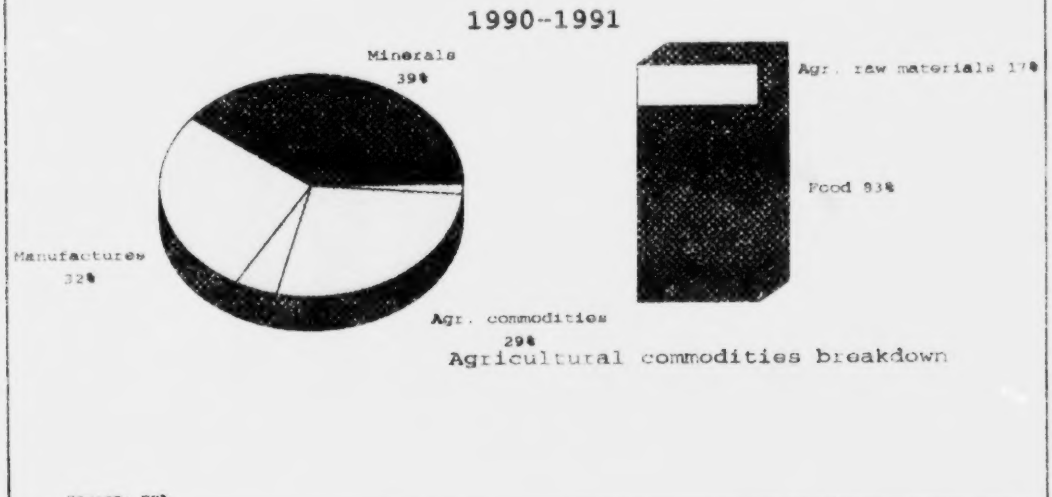
Figure 2: African LDCs, price trends of the major export commodities (1985=100)



Source: FCA

18. Due to the slack in demand in OECD economies, exports of agricultural commodities of African LDCs decreased by 38.1 per cent in 1990 and the recovery in 1991, an increase of only 1.9 per cent, was insignificant to make any difference in total export earnings. The value of export of non-mineral primary commodities dropped from US$3.3 billion in 1989 to US$3.1 billion in 1990, and is estimated to have increased slightly to US$3.6 billion in 1991. In addition to the constrain of low demand of industrial countries for agricultural raw materials, African LDCs exports face stiff competition from primary commodity exports of other developing regions, notably South East Asia. Further, the uncompetitive production structures of African LDCs, is gradually crowding them out of the international market for agricultural primary commodities. The main agricultural exports are: coffee (Uganda, Ethiopia, Tanzania and Burundi), cocoa (Equatorial Guinea and Togo) and Cotton (Mali, the Sudan). Uganda depends on coffee exports for about 70 per cent of foreign exchange earnings. The country's coffee earnings in 1991 was US$140 million, compared to US$400 million earned annually up to 1988.

Figure 3: African LDCs:share of main export commodities in total exports,
(as % of the total)



Source: ECA

19. During 1990-1991, the structure of imports of African LDCs showed fundamental changes, with a net reduction in the share of non-fuel commodities from an annual average of 24 per cent in 1985-1988 to 17.4 per cent in 1989-1991. This change is largely on account of declines in the share of commercial food imports, from an annual average of 18 per cent in 1985-1988 to 16 per cent in 1989-1991. African LDCs are major recipients of food aid and the response of donors to the recurrence of drought conditions and the resultant famine, as well as the large refugee population concentrated in the LDCs, has led to the increased share of food assistance in their total food imports. The value of imports of manufactures, mainly machineries and other equipments, accounted for an average of 50 per cent of total imports in 1990-1991. Overall, the value of total imports is estimated at US$18 billion in 1991 as compared to US$19.4 billion in 1990 and US$16.1 billion in 1989.

Table II.5: **Imports of African LDCs, 1985-1991**

	1985	1986	198	1988	1989	1990	1991
					(Million of US$)		
Imports	12802	12744	13545	14691	16932	19354	18000
Non-fuel primary commodities	3000	2978	2811	3186	3283	3382	3148
of which: - food	2102	2404	2179	2565	2758	2991	2940
fuel	1339	1956	2503	1527	2231	6516	5188
Manufactures	6363	6367	6825	7947	9482	9500	9664
					(as % of the total)		
Non-fuel primary commodities	23.4	23.4	21.4	20.4	18.4	16.2	17.5
of which: - food	16.4	18.2	16.0	17.5	16.3	15.5	16.3
fuel	10.5	15.4	18.5	10.4	13.2	33.7	28.8
Manufactures	49.7	50.0	50.1	54.1	56.0	49.1	53.7

Sources: - "UNCTAD COMMODITY YEARBOOK", 1991
- "STATISTICAL ANNEX", TRADE AND DEVELOPMENT REPORT, 1991 (UNCTAD secretariat)

20. As a consequence of the above trends, the trade account was in deficit of some US$7.7 billion in 1990 and around US$8 billion in 1991. The deficit on services was US$2.2 billion in 1989, but an estimated surplus, of $522 million, was recorded in 1991. In sum, the current account deficit of some US$4.2 billion in 1990, was reduced to US$3.7 billion in 1991, on account of an increase in unrequited transfers, amounting to US$1.3 billion, representing 57 per cent of goods and services, in 1991. Overall, the difficult balance of payments position of the African LDCs, as a group, subsided to some extent in 1991 because of IMF financial support to restore external viability and adjustment credits of the World Bank and other bilateral exceptional financing for adjusting LDCs; energy conservation measures, as well as, a comparatively low demand for fuel by the relatively small industrial sector of the LDCs.

Table II.6: Balance of payments of African LDCs, 1988-1990 (US$ million)

	1988	1989	1990E	1991E
1. Trade balance	-5934	-4765	-7730	-7988
a. Merchandise exports	9763	12147	11624	10047
b. Merchandise imports	15697	16912	19354	18035
2. Balance of services	-1125	-2165	60	522
Credit	5817	4401	5526	6574
Debit	6942	6566	5466	6052
3. Balance of goods and services	-7059	-6930	-7670	-7466
4. Unrequisite trqnsfers (net)	3557	3655	3421	3780
5. Current account balance	-3502	-3275	-4249	-3686
6. Capital account	2559	1919	na	na
- Net direct foreign investment	190	253	na	na
- Long-term loans (net)	2150	140	na	na
- Repayments	666	2404	na	na
- Other long-term capital inflows (net)	219	1526	na	na
7. Overall balance	-943	-1356	na	na
9. Change in reserves (-= decrease)	943	1356	na	na

(E)=estimates; (na)= not available
Sources: ECA

(d) Fiscal and monetary developments

21. The overall aggregate fiscal operations of African LDCs, in 1991, showed a slight improvement, over the 1990 performance. This is reflected in an improvement in the revenue collection efforts as manifested in the increased ratio of total revenue to GDP; a decline in the rate of growth of expenditures, and a substantial reduction in the overall budget deficits. For a sample of 15 African LDCs, the fiscal deficits, which stood at 3.4 per cent of GDP in 1990, fell to 1.7 per cent in 1991.

22. However, most African LDCs still continued to experience sizable deficits despite stringent fiscal measures. The increase in fiscal deficits is attributable to consistent increases in recurrent expenditures, mainly salaries and wages. For instance, Uganda's budget deficit for 1991 was estimated at USh35.2 billion, which is about 3.8 per cent of its estimated GDP for the same year. Recurrent expenditure as a percentage of GDP increased from 2.1 per cent in 1990 to 5.4 per cent in 1991. For the Central African Republic, the deficit of CFA Franc 32.77 billion, was almost 9.2 per cent of its GDP, with recurrent expenditures rising from 14 per cent of GDP, in 1990, to 15 per cent, in 1991. Mali's 1991/92 budget anticipates revenue of CFA Franc 214.8 billion, a marginal

reduction from the previous year's budget of CFA Franc 215.4, but with total expenditures provisionally estimated to rise to CFA Franc 222.5 billion, the deficit is increased to CFA Franc 7.7 billion, as compared to CFA Franc 5.6 billion in 1990/91.

23. In contrast, Botswana's recurrent expenditure as a percentage of GDP, fell from 32 per cent in 1990 to 26 per cent in 1991, contributing immensely to a budget surplus of about 8.5 per cent of GDP. In Lesotho, the decline in wages and salaries of 12.6 per cent, in real terms, between 1988/89 and 1990/91, contributed to the contraction of the fiscal deficit by about 131 per cent during the same period.

Table II.7: Public Finance Aggregates of African LDCs(*) (as % of GDP)

	1990	1991
A. Total revenue		
Indirect taxes	21.9	26.5
Taxes/estimate trade	5.8	7.2
Others	8.2	8.3
B. Total expenditures	30.5	33.6
1. Current expenditures	24.1	21.8
of which:		
- Interest on public debt	3.6	4.0
- Wages	11.8	10.6
- Equipments	2.7	3.0
2. Development expenditures	10.3	12.4
of which:		
- Education	3.2	3.9
- Health	1.9	1.8
- Agriculture	0.9	0.9
- Transport	0.8	0.7
- Other sectors	3.4	3.7
3. Other expenditures	0.6	0.4
4. Overall balance (- = deficit; + = surplus)	-3.4	-11.7
External financing	66.2	65.2
Internal financing	33.8	34.8

Source: ECA based on data from IMF, International Financial Statistics and National publications.

* Computed from data available for 15 countries.

24. Total collected revenue, as a percentage of overall expenditures, increased from about 89 per cent in 1990 to 95 per

cent in 1991. Indirect taxes account for a sizable proportion of the revenue of these countries, but its share in total revenue fell from 80.8 per cent in 1990 to 76.8 per cent in 1991. An increase in the tax on external trade, from 18.4 per cent in 1990 to 22.2 per cent in 1991, compensated for this shortfall. Together with taxes on international trade, indirect taxes accounted for close to 90 per cent of the total revenue intake of the LDCs. The improved revenue situation resulted in an overall reduction of the fiscal deficit. The revenue increase is partially explained by domestic measures to expand the tax base and, improvements in tax administration. This, again, underlines the need for intense efforts aimed at broadening the tax base.

25. In the Gambia, reforms in tax administration have increased collections from income taxes and custom duties. The tax base was broadened by the introduction of a sales tax on international trade and domestic services, in 1988/89. As a result of these measures, domestic revenue increased by over 50 per cent between 1987/88 and 1989/90. In Lesotho, however, the introduction of high sales tax, adversely affected industrial production and encouraged tax evasion which resulted into a slow-down in revenue performance, in 1990/91.

26. African LDCs recurrent expenditure was as high as 64.8 per cent of total expenditures, and absorbed about 63 per cent of total revenue, in 1991. Wages and salaries alone, accounted for 62.3 per cent of total recurrent expenditures in 1991. The share of capital expenditures in total expenditures dropped from 35.4 per cent in 1990 to 33.9 per cent, in 1991, which has meant a major setback in the development of social and economic infrastructures. For instance, the share of health in total expenditure fell from 6.2 per cent in 1990 to 5.3 per cent in 1991; the share of agriculture dropped from 3.2 per cent to 2.6 per cent and transport, from 2.6 per cent to 2.4 per cent, within the same period.

27. Table II.8 shows the net changes in money supply, broadly defined, between 1989 and 1990, for a sample of 20 African LDCs. In Benin, Djibouti, The Gambia, Lesotho and Malawi, the increase in money supply was heavily influenced by the rise in the net foreign assets of the banking systems. On the other hand, claims of the government exerted a substantial influence on the growth of money supply in Ethiopia, Rwanda, Sierra Leone, Togo and Zaire. With the accelerated rate of monetary expansion observed in Zaire (195.4 per cent) and Sierra Leone (74.0 per cent) between 1989 and 1990, consumer prices (1985 = 100) in these countries rose sharply to 1,888.4 in Zaire and 2,296.2 in Sierra Leone. For Comoros and Mauritania, claims of the private sector contributed significantly to the money supply growth, which was partly offset by the decline in the net foreign assets of the banking systems. As for Botswana, Burkina Faso and Mali, money supply, broadly defined, declined by 14.0, 0.4 and 4.9 per cent, respectively. In these

countries, the government was a net depositor in the banking systems.

Table II.8: African LDCs, changes in Money Supply, 1989-1990 (in billions of local currency)

Country	Money (M2) supply	Increase/decrease due to		
		Foreign Assets	Claims on Government	Claims on Private sector
Benin (franc)	29.83	26.90	12.88	-1.77
Botswana (pula)	-0.25	1.11	-0.88	0.23
Burkina Faso (franc)	0.67	-0.49	-3.91	-1.68
Cape Verde (escudos)	1.71	-0.36	0.62	0.57
CAR (franc)	-2.38	0.18	-0.23	-1.06
Chad (franc)	-1.71	9.81	-14.11	-1.41
Comoros (franc)	0.60	-1.50	-0.90	2.75
Djibouti (franc)	2.02	5.78	1.15	-1.97
Eq. Guinea (franc)	-4.08	-2.64	-0.76	0.08
Ethiopia (birr)	1.12	-0.10	1.43	0.02
Gambia (dalasis)	0.04	0.19	-0.17	0.04
Lesotho (maloti)	0.05	0.18	0.10	0.03
Malawi (kwacha)	0.10	0.10	-0.13	0.14
Mali (franc)	-6.94	13.22	-23.61	-0.21
Mauritania (ouguiyas)	4.18	-4.45	0.01	6.41
Niger (franc)	-5.62	4.49	1.92	-13.74
Rwanda (franc)	1.68	-3.29	7.83	-3.00
Sierra Leone (leones)	7.58	-40.12	3.59	0.50
Togo (franc)	13.97	4.45	8.00	3.02
Zaire (zaire)	72.69	-988.10	1,252.19	52.82

Source: IMF, International Financial Statistics, March 1992.

III. MAIN ECONOMIC SECTORS

(a) Food and agriculture

28. Agriculture remains the main source of value added in the African LDCs. In 1991, the growth rate of agriculture value added stood at -0.2 per cent, compared to -0.7 per cent in 1990. The overall food supply situation, in most of the African LDCs, remain

precarious. The volume of cereal imports rose from 5.2 million metric tons in 1990 to 7.3 million tons in 1991, of which, 4.6 million tons was food aid. Aggregate cereal output in 1991 was 27.7 million tons, but this was insufficient to meet the domestic food requirements of the African LDCs. Production of roots and tubers, another important staple food, is estimated at about 27 million tons in 1991.

Table III.1: Production of main Crops in African LDCs, 1989-1991 (million tonnes)

	1989	1990	1991
Cereals total	29,1	24,0	27,7
Wheat	1,3	1,4	1,7
Millet	3,7	3,1	4,6
Maize	9,6	8,8	8,5
Paddy rice	2,3	2,6	2,3
Sorghum	6,4	5,3	7,8
Roots and tubers	27,4	26,8	26,7
Pulses, total	3,3	3,4	3,4

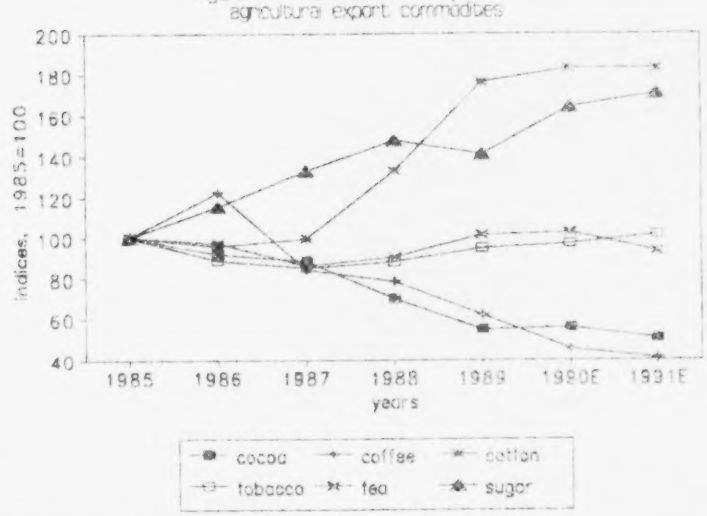
Source: FAO Agriculture Production Computer Print-out, December 1991, Rome, Italy.

29. In 1991, cereals output of LDCs in the CILLS region, is estimated to have reached 9.1 million tons. Compared to 1990, production increased by about 25 per cent in Mali, almost 50 per cent in Burkina Faso and Chad, and, by two-thirds in Niger. In the Gambia, production increased by 20 per cent, while output dropped in Mauritania, due to persistent dry weather for the second consecutive year. For other LDCs in West Africa, such as Benin and Togo, the output of the main maize crop was good and, prospects for millet, sorghum and second maize crops, are favourable. Sudan's output of sorghum, millet and wheat, in 1990/1991, is estimated at 3.8 million tons, an increase of 1.8 million tons over the 1990 level. Despite this performance, over 7 million people are in need of food assistance. Ethiopia's output of cereals and pulses is estimated at 6.47 million tons in 1991, but emergency food aid will be needed for some 6 million of the population. In Mozambique, cereal production is forecast not to exceed 50 per cent of domestic requirement in 1992, and the number of people in need of food assistance is put at 1.8 million. About 1 million refugees in Malawi will require emergency food assistance in 1992.

30. With the possible exception of tobacco, which average international price increased from 178.38 US cents per pound in 1990 to 185.20 US cents per pound in 1991, the prices of all other industrial crops (coffee, cocoa, tea, cotton and sugar) declined in

1991. The average cotton prices dropped from 82.61 US cents per pound in 1990 to 76.80 US cents per pound in 1991. Coffee prices also fell, from 71.53 US cents per pound in 1990 to 66.80 cents per pound, in 1991. As a result, members of the Inter-African Coffee Organization, incurred combined losses, of some US$1.5 billion, in 1990-1991.

Figure 4 Price indices of major agricultural export commodities



Source: ECA

31. In Ethiopia, coffee production has fallen markedly since reaching a peak of 3.9 million bags in 1983/1984. It is estimated at 3.1 million bags, in 1989/1990. Drought, coffee berry disease, ageing trees and the inadequate use of fertilizers, have been the principal restraining factors. Ethiopia had secured loans and grants worth US$43.5 million from the World Bank (US$31.5 million) and the EEC (US$12.1 million) to buy fertilizers and this assistance will help to boost cash and food crop production. In Uganda, 1991 was a disaster year for coffee exports which dropped from 77,265 tons in 1990 to 56,393 tons. Zaire exported 1.74 million bags of coffee in 1990/1991. The prospects for the coffee sector is constrained by the lack of investment and the poor transport infrastructure. In Burundi, the 1991/1992 harvest is expected to be about 38,000 tons compared with 33,911 tons in 1990/91. The government has relinquished its monopoly over coffee and opened up the trade to the private sector.

32. In Equatorial Guinea, cocoa exports declined markedly, to just over 4,000 tons, in 1990. The lack of shipping traffic between Malabo and European ports, is partially blamed for the stocking of some of the country's cocoa harvest. In 1991, the World Bank launched a wider six-year rural development programme which incorporates a new Bioco cocoa rehabilitation project. The target of the programme is to reach an export level of 26,000 tons of cocoa by the year 2,000. In Togo, cocoa production in 1990/91 is estimated at 5,000 tons. Depressed world market prices for cocoa, obliged the government to reduce the producer prices to CFA250/kg in 1990, compared with CFA360/kg in, 1986/87.

33. Mali is now Francophone Africa's biggest cotton producer. Seed cotton production rose to an estimated 276,000 tons in 1991, 8 per cent above the target. The growth in production is partly attributed to the increased use of fertilizers and, high yield seed varieties. The area under cultivation in 1990/91 is expanded to 205,000 hectares, as against an area of 189,000 hectares in 1989/90. In Benin, record production of 160,000 tons of cotton seed and 60,000 lint output is expected in 1991/92. In Burkina Faso, cotton production for 1990/91 is estimated at 176,000 tons, while lint output is estimated at 73,000 tons; and forecast to increase by a further 5.5 per cent, to 77,000 tons, in 1992.

34. In Sudan, cotton production, in 1991/92, is estimated at 416,000 bales, compared with 374,000 bales in 1991. The area under cotton is estimated at 465,000 acres in 1991/92 compared with 484,000 acres in 1990/91. Domestic consumption is expected to remain at around 70,000 bales. In Tanzania, cotton production was estimated at 256,000 bales in 1990/91 , and it is projected to rise to 299,000 bales in 1991/92.

35. The agricultural policies of African LDCs are increasingly being focused on increased food production, expansion of export crops and environmental protection. In Rwanda, the government's strategy is aimed at achieving a parallel expansion in food production and export crops, through an intensive application of fertilizers. The Sudanese government is pursuing measures, by which, it allocates less land for export crop production and, more for food crops, like wheat and coarse grains, mainly in irrigated areas. Despite its successful economic growth performance over the years, Botswana is still not able to feed itself. Food crop production (maize, sorghum, millet and beans) accounts for less than one-third of agricultural output. Domestic cereal production is estimated at around 55,000 tons, in 1990/91, of which, sorghum accounted for 43,000 tons and maize, only 8,000 tons. The development of irrigated agriculture is the principal objective of the food security strategy, introduced to mitigate the effects of the recurrent drought.

36. Price liberalization and institutional reforms were also part of the agricultural strategies of the African LDCs in 1990-1991.

In Ethiopia, the policy of the present government is to encourage private sector participation in the marketing of agricultural commodities, with parastatals playing a progressively restricted role. In Zambia, the Government had reduced subsidies for certain State-run agricultural enterprises; and raised producer prices for selected food crops and, those of controlled consumer food items. For instance, the price of beef went up by 25 per cent,while that of bread, was increased by 27 per cent.

37. Institutional reforms in Mali, had resulted into the dismantling of state enterprises, including the Compagnie Malienne pour le Développement des Textiles (CMDT), the Industries Textiles du Mali (ITEMA), and the Société de Construction de Materiels Agricoles (SCMA). The Government of Sierra Leone had eliminated the monopoly of the Sierra Leone Produce Marketing Board (SLPMB) in the coffee and cocoa trade and opened up importation of rice (the main staple) to private investors. In Mozambique, the role of marketing parastatals were greatly reduced, with a substantial proportion of domestic production now being channelled through private traders. The government of Uganda liberalized the coffee sector in 1991, by abolishing the export monopoly of the Coffee Marketing Board (CMB). This measure was aimed at inducing a competitive environment in the industry so as to increase the quantity and quality of the crop.

38. However, the rampant devaluation of national currencies, of non-CFA zone LDCs, has led to substantially higher prices for chemical inputs, tools and implements. A number of the LDCs, therefore, are encountering difficulties over rising costs of imported inputs which may hamper their efforts to raise food production. In Sierra Leone, for example, there is now a very limited availability of fertilizer and other inputs following the withdrawal of the government from the import and distribution of essential inputs. Repeated devaluation of the leone has increased the investment cost for private enterprises, to the extent that, no fertilizers were imported for crops planted in 1991.

39. African LDCs are taking steps to protect their fishery resources and to obtain maximum returns from the exploitation of their fishing zones. Guinea-Bissau signed a fishing protocol with the EC, which raises the Community's permissible shrimp catch from 10,000 to 11,500 tonnes and, the fish and cephalop catch limit, from 5000 to 6000 tonnes. In return, the EC will pay Guinea-Bissau ECU 12 million (US$14.4 million) for two years, plus ECU 850,000 towards scientific programmes and, ECU 550,000 to finance study awards for the fisheries sector11/. In Mozambique, the Government imposed tight restrictions in 1991 on foreign vessels fishing in its territorial waters. The country's new policy, announced in April 1991, prohibits all foreign ship owners from

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11/ Africa Economic Digest, vol 12 No.31, 18 November-1 December, 1991.

catching shrimps, unless they operate as partners with local fishing enterprises, in joint venture arrangements. Also, in 1991, the Sierra Leone government reinforced its fisheries management policy, and, established a private joint venture company known as "Maritime Protection Services - Sierra Leone". Its mandate is to monitor and control the country's 200 mile long fishing zone which, before now, was systematically over-exploited by Russian, South Korean and Spanish vessels.

(b) Manufacturing industry

40. The share of manufacturing industry in African LDCs GDP, estimated at an average of 9.1 per cent in 1990-1991, is comparatively lower than the average for developing Africa, of 10.5 per cent. The sector is dominated by small scale processing of basic consumer goods, particularly of food products and textiles. Investment is low, particularly foreign direct investment. The sector is import-dependent, a situation made worse by the shortage of foreign exchange. Unfavourable weather conditions, have affected the production of industrial crops and this has constrained the supply of raw materials to the agro-allied industries, which contribute the bulk of manufacturing output in African LDCs. Consequently, capacity utilization is estimated at an average of only 40 per cent.

Table III.2: Indicators of Manufacturing Sector Performance of African LDCs in relation to other African economic grouping, 1989-1991 (1980 prices)

	Share of manufacturing in GDP (% of GDP)			MVA growth rates (per cent)		
	1989	1990	1991	1989	1990	1991a/
Oil exporting	8.7	8.5	8.6	2.9	1.6	4.3
Non-oil exporting b/	16.2	16.4	16.0	-1.8	3.0	-2.6
African LDCsc/	9.2	9.1	9.1	4.9	1.5	0.8
Developing Africa	10.6	10.5	10.4	1.3	2.1	1.3

Source: ECA secretariat.
a/ Preliminary estimates.
b/ Non-oil exporting, non-LDCs.
c/ Excluding Zaire and Zambia. The 29 African LDCs for which estimates are made, are all oil-importers.

41. Aggregate manufacturing value-added increased by 1.5 per cent in 1990 and, 0.8 per cent, in 1991. However, individual country performances were varied. As of 1989, the manufacturing sector accounted for approximately 15 per cent of the GDP of Lesotho. Growth in real value-added averaged around 12 per cent in 1985-1988. In 1990, MVA growth was up by 5.5 per cent, slightly

increasing to 5.6 per cent in 1991. This performance is attributed to the attractiveness of the incentive structure, and growth in the textile and leather wear sub-sectors, which increased its share in MVA, from 40 per cent in 1989, to an annual average of around 45 per cent, in 1990-1991.

42. The government of Lesotho has consistently supported local and foreign private investment in manufacturing. Under a recently enacted legislation, tax holiday for eligible companies will be phased out, but a significant reduction in corporate tax rates, from 37.5 per cent to 15 per cent, was made. The Lesotho National Development Corporation (LNDC) is leading in the promotion and development of the industrial sector. By 1989, LNDC - assisted companies numbered 52, with a total employment of about 9260 of which, 8025, were in manufacturing. The corporation continued to promote foreign investment by offering access to well develop industrial estates; provide loans and capital participation; and duty-free access of manufactured exports to the EC and SACU markets.

43. Botswana's manufacturing sector contributed only 4 of GDP and grew by an annual average of 4.8 per cent in 1990-1991. To diversify the economy away from its heavy dependence on diamond, the government has been making substantial investment in non-traditional exports, mainly of manufactured goods. A range of incentives, designed to stimulate investment in labour-intensive, high value-added enterprises, is made available under the government's financial assistance policy (FAP). The FAP provides government funding for enterprises which produce or process non-traditional export goods. The funding level is in the range of P20,000 to P900,000 for small and medium-scale enterprises. The Botswana Development Corporation (BDC) is the main investor, in partnership with foreign companies and local entrepreneurs. In 1990, industry and commerce accounted for 31 per cent of total investment worth P169 million. BDC has so far created 15,000 formal sector jobs. Under the FAP, almost P100 million was approved in 1990 for 2467 projects which are expected to create 35,000 local jobs, eventually.

44. The manufacturing base of Sierra Leone is relatively small and underdeveloped. Most firms are in light manufacturing, producing consumer goods for the domestic market, including cigarettes, plastic footwear, and furniture. The Sector contributed only 3 per cent of GDP in 1989/90, and provided jobs for just 10 per cent of formal employment. Manufacturing value-added declined sharply in 1989 by 10 per cent, but output growth picked up in 1990, with MVA registering an increase of 15 per cent. This performance was underpinned by the market-determined exchange rate system which allowed companies to acquire foreign exchange from the inter-bank market, import raw materials, and, price their products freely. Most industries, however, are still operating far below capacity,

with utilization rate, estimated at an average of 30 per cent for the manufacturing sector as a whole.

45. The above cases represent the kind of measures being taken by African LDCs to develop the manufacturing sector in order to diversify their economies. In a new investment incentive code which was adopted in April, 1990, the government of Tanzania reaffirmed the constitutional guarantee of property ownership rights and provided numerous concessions on taxes and repatriation of profits. The measures have encouraged the growth of the manufacturing sector. Manufactured exports nearly tripled from US$33 million to US$96 million at end-1990. The increase was mainly due to fewer price controls and freer markets. Capacity utilization in local industries rose from 39 per cent in 1989 to around 56 per cent by the end of 1991. Industries which reported low capacity utilization rates in 1990 included those producing beer, canned beef, textiles, leather goods and fertilizers.

46. In 1990-1991, African LDCs implemented industrial sector adjustment programme and took various initiatives to create a competitive domestic investment climate, for greater private sector participation and, to encourage foreign direct investment. One such initiative is the establishment of export processing zones (EPZs), to attract foreign investments and to promote export of manufactures. In 1991, Togo commissioned a feasibility-study to develop an EPZ site of 600,000 sq. ft. of industrial factory buildings. Togo's EPZ offers investors generous tax holidays, expedited regulatory procedures, customs duty exceptions, inexpensive labour cost and special utility rates. Forty-five companies had applied for EPZ status to establish shop and, 36 projects were approved, in 1991.

47. The strategy of the government of Botswana by launching the Selebi-Phikwe Regional Development Project (SPRDP), as an EPZ zone, is to diversify the economy away from the Diamond Industry. The project's target is to create 10,000 jobs by 1993. The preferred investors are those who will engage in labour-intensive manufacturing, such as producers of clothing, footwear, electronic components, as well as those who produce for the export market. The wide range of incentives are unprecedented, and, it includes capital grants towards the fixed cost of a project up to a maximum of 65 per cent of capital investment. Between 1988-1991, about 1688 new jobs were created and enterprises on the site are expected to provide 2473 more jobs, as capacity utilization increases.

48. The African LDCs lack the capacity to borrow from international Commercial banks for Industrial investments. A welcome development, however, is the initiatives taken by development financing institutions and commercial banks to provide financing and investment facilities to promote the development of small and medium-scale enterprises, for which the African LDCs have a comparative advantage. Under the African Project Development

Facility (APDF), sponsored by the African Development Bank, the LDCs are eligible for loans for manufacturing industry, in particular, for enterprises which use domestic raw materials, create jobs, and are export-oriented. The APDF loans per project ranges from $100,000 to $10 million or 33 per cent of the total cost of a project.

49. The European Investment Bank (EIB), which is the EC's bank for long-term finance, is advancing ECU 8 million (US$10.24 million) to the Tanganyika Development Finance Corporation (TDFC) of Tanzania, to provide financial support for small and medium-size enterprises in the industrial and agricultural processing sectors. The financing is provided under Lomé IV, and repayable over a period of 13 years, at 2 per cent interest rate. Malawi is also a beneficiary of a European Investment Bank (EIB) loan of Ecu 6.8 million, in support of the country's small and medium-size enterprise sector. Ecu 6.5 million of the loan will be allocated to the Reserve Bank of Malawi, for on-lending to small and medium-scale enterprises, through local commercial banks and development finance institutions. The remaining Ecu 300,000 will be equity investments of the EC in the investment and Development Bank of Malawi (INDEBANK). Indebank approved 19 projects in 1990, worth MK 25.9 million. The industrial sector accounted for 37 per cent of the investment, of which 24.3 per cent went to agro-based industries. The projects are expected to save MK 5.1 million in foreign exchange annually, and to create 1227 jobs.

50. For Uganda, the World Bank had provided credit of US$190 million, in 1991, in support of structural adjustment and industrial and export development. The credit is intended to benefit industries and farmers to boost production and export activities. The Bank of Uganda will use US$125 million of the loan to finance imports of raw materials, spare parts, machineries, chemicals, while US$65 million is geared towards meeting the challenge of export diversification and efficient import substitution activities.12/

51. In the 1990-1991 period, the African LDCs continued the privatization of loss-making parastatals and other non-strategic enterprises. In all these countries, privatization is now an integral part of economic reform programmes, aimed at expanding the role of the private sector and to attract foreign direct investment. As part of the National Salvation Programme, the government of the Sudan is to sell the national airline, the telecommunications company and the shipping lines, to local and foreign investors. The World Bank will provide assistance for the country's privatization programme. Already, the government has entered into partnership with South Korea's DAEWOO Group, which will provide financing for the completion of the weaving industry

12/ Africa Economic Digest, Vol. 12 No.23, December, 1991, p 28.

in Eastern Sudan; to overhaul the tanneries in Central Sudan, and to set up a Jute Company.

52. Despite political and economic reforms in African LDCs, and the unprecedented range of investment incentives they offer, manufacturing growth continue to be constrained by their narrow import capacity and their low investment levels. The investment climate does not seem to provide, in terms of political stability, and relative profitability of investment, the kind of guarantees expected by foreign private investors. The erratic nature of weather conditions in the region does not allow for adequate production of industrial crops. These factors will be the determinants for industry in the LDCs in the medium-term. In 1992, nowever, manufacturing value-added is forecast to recover strongly, with a growth rate of 4.8 per cent.

(c) Mining

53. With the classification of major mineral producing countries, as Zaire and Zambia, as LDCs in December, 1991, the diversity and production coverage of the mining sector of the African LDCs, as a group, has expanded significantly. On the basis of data for the 31 countries, the share of mining in the total output of African LDCs in the region is currently estimated at 30 per cent of GDP in 1990-1991, compared to a very low share of 4 per cent of GDP for 29 LDCs, in 1989-1990. Export earnings of mineral products presently account for 39.2 per cent of the total export earnings of the African LDCs. Value-added by the sector recovered from a 2.9 per cent decline in 1990, to an increase of 2.4 per cent in 1991.

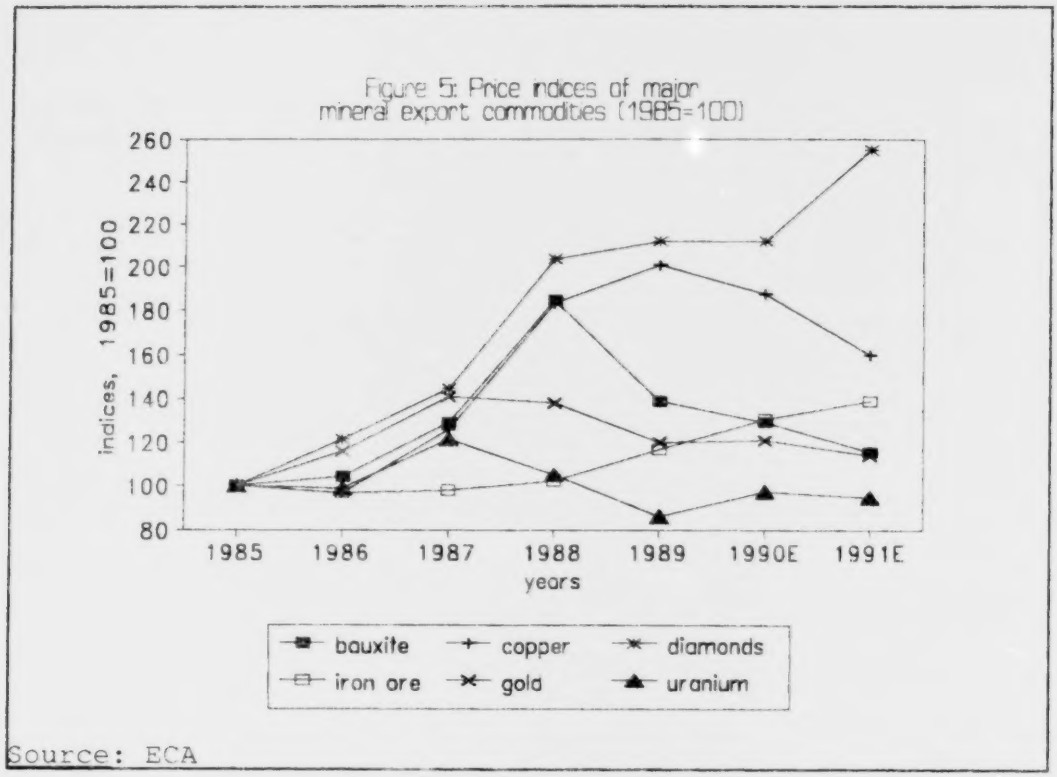
54. The mining operations and mineral potential of the African LDCs are concentrated in 9 countries and, the aggregate output of these countries account for 94 per cent of the total mining sector value-added of the group. The principal minerals produced are bauxite, copper, diamond, iron ore and uranium. The five major mineral producing LDCs are: Botswana (diamond, cobalt, copper and nickel), Guinea (bauxite), Niger (uranium), Zaire (copper, diamond, tin, gold and zinc) and Zambia (copper). Mineral production of these five countries alone, account for 84 per cent of the mining output of the African LDCs.

Table III.3: Major mineral producing African LDCs

Countries and minerals	1988	1989	1990	1991
1. Zaire: (a)	1260	1230	1130	830
- Copper (b)	57	53	52	42
- Diamonds(x1000000 carats)(b)				
- Tin (b)	162	137	133	ND
- Gold and zinc (b)	7	...	...	...
2. Botswana: (a)	826	967	935	977
- Copper and nickel (b)	59	61		
- Diamonds(x1000000 carats)(b)	15,2			
- Cobalt (b)				
3. Zambia: (a)	530	580	597	561
- Copper (b)	74	78	73	
4. Guinea: (a)	335	330	344	358
- Bauxite (b)	1400	1458	1458	
- Diamonds (b)				
5. Niger: (a)	115	106	141	117
- Uranium (tonnes)	2960	2960	2831	
6. Sierra Leone: (a)	79	90	101	94
- Diamonds (b)				
- Bauxite et alumina (b)	115	130	120	
7. Mauritania: (a)	78	101	97	92
- Iron ore (b)	10170	12100	11519	11001
8. Togo: (a)	107	108	79	80
- Phosphate rock (b)				
9. Liberia: (a)	103	102		
- Diamonds (b)				
- Iron ore (b)				

Source: ECA and "Bulletin mensuel de statistique, Nations Unies" (ST/ESA/STAT/SER.Q/226), Octobre 1991. (a)= value added in US$ million; (b)= production in thousands of metric tonnes.

55. Guinea is one of the world's largest exporter of bauxite and it contains 1/3 of world proven reserves of high grade ore. Current production activities are dominated by Multinationals with the equity participation of the government. International prices for bauxite weakened further in 1991 which adversely affected Guinea's bauxite output. Zaire's copper giant, Gecamine (GCM), suspended 45 per cent of its forward deliveries, (about 100,000 tons), in 1991, which meant a significant reduction in foreign exchange receipts, dealing a severe blow to the economy. Political instability have also affected production activities. Zaire's mining sector is also plagued by gold and diamond smuggling. Zambia's copper industry is faced with financial difficulties and, because of the lack of adequate investments to rehabilitate the sector, and, to purchase new machinery and equipment, output is on the decline.



Source: ECA

56. The gold and diamond sub-sectors experienced improved performance in 1990-1991, on account of international market conditions, as opposed to other minerals for which international prices have consistently declined, since 1989. However, gold production in Burkina Faso and Mali were disrupted in 1991, due to political and technical problems. The Burkinabè gold exports fell by 35 per cent, while Mali exported only 51.2 Kgs of gold by the end of July 1991, compared to 276 Kgs in the same period in 1990.13/ In Botswana, where the mining sector contributed 51 per cent of GDP in 1988/89, diamond earnings rose to a new record of P2.8 billion in 1989, a rise of 45 per cent on 1988, while the dollar value rose by 33 per cent to US$1.4 billion. In 1990, diamond earnings however, fell to P2.6 billion. A total of 12.4 million carats of diamond were produced in 1990, 14 per cent more than in 1989. In the first half of 1991, diamond earnings were up by 18 per cent, at US$784 million.

57. In Niger, the mining of uranium has been severly affected by the cut-backs in Nuclear Energy Programmes,worldwide. Niger's uranium output contracted by 1.5 per cent in 1991. In addition, the

13/ Africa Economic Digest, vol 12, No.30, 4-17 November, 1991.

debts incurred during the uranium boom years, are now being called up. About 35 per cent of the sector's labour force has gone on voluntary retrenchment under a sector adjustment programme. In Mauritania, the iron ore sector is plagued by obsolete equipment, the low grade of ore and the financial problems of Société Nationale Industrielle et Minière (SNIM). SNIM sales are considerably down and, the company is experiencing difficulties in repaying matured loans.

58. In spite of the difficulties facing the mining sector of African LDCs, many countries continued their mineral exploration in the 1990-1991 period. In Central African Republic, deposits of iron ore, copper, manganese and uranium were discovered. In Ethiopia, geological surveys have revealed the presence of gypsium, kaolin, as well as, new deposits of gold.

IV. SOCIAL SECTOR

59. The social crisis in African LDCs is characterized by the considerable deterioration in living standards: low levels of school enrolment, especially at first level; poor health condition; widespread malnutrition; and an alarming increase in the rate of unemployment, all of which have combined to accentuate the poverty conditions in these countries. The underlying factors of the crisis are mainly attributed to inadequate levels of investment in social infrastructure and services; lack of maintenance of existing facilities and the neglect of social development issues in adjustment programmes. In spite of recent efforts to address the social dimensions of adjustment, social and economic institutions are in various stages of disrepair and, the governments of most LDCs, can barely provide basic social services.

60. In the health sector, central government budgetary allocations are extremely low, ranging between 5 and 6 per cent during the 1986-1990 period. For instance, appropriations are as low as 1 per cent in Somalia, 2 per cent in Uganda and 3 per cent in Guinea. The proportion of the LDCs population with access to health services, averages around 51 per cent, but the urban-rural disparity is still very wide, 80 per cent, urban, and, 20 per cent, rural. Only 45 per cent of the population have access to clean drinking water. The crude death rate (CDR) is estimated at 17 per 1,000 in 1990, while the crude birth rate, is around 49 per 1000. The infant mortality rate is as high as 194 per 1,000. The average life expectancy at birth is about 49 years. The number of physicians per thousand population is very low, at 1:26,500. The supply of essential drugs, equipment and logistic support is inadequate. The most common diseases are: measles, whooping cough, diphtheria, cholera, dysentery, polio, malaria and tuberculosis. Most of these diseases can be controlled by wide spread application of vaccine at a relatively low cost.

61. Donors continue to provide assistance to rehabilitate African LDCs health infrastructures. In Sierra Leone, a European Economic Community (EEC) emergency assistance programme for health and agriculture, is to be launched in the southern and eastern provinces. The US$539,000 package is intended to contribute to the reintegration of these provinces, where internal conflicts have done incalculable damage, since 1991. The EEC has also approved ECU 16.5 million, under Lomé IV, for the development of health services in Chad. The assistance covers personnel training and, the supply of essential medical equipment. The need for continuity in this direction, in a bid to improve the deteriorating social and human conditions in these countries, cannot be over-emphasised.

62. Human Immune Deficiency Virus (HIV) and Acquired Immunodeficiency Syndrome (AIDS) have considerably exacerbated the health crisis in African LDCs, in recent years. In 1991, WHO estimated that there were 10-12 million adults and children infected with HIV world wide, resulting in 2 million AIDS cases. Of the 10-12 million HIV cases, over 6 million are said to be in Africa, indicating the disproportionate per capita infection rate being borne by Africa. Despite the inadequate epidemiological surveillance, the number of cumulative AIDS cases reported to WHO in 1991 by African countries was 129,270, which is considerably higher than the 42,167 AIDS cases reported to WHO for the period 1979-1988. The impact is greatest in the large urban area. In Kinshasa, one in four adults is HIV positive, while in Kampala, 25 to 30 per cent seroprevalence rates have been reported.14/

63. AIDS among young adults, who constitute the productive age group, means a further reduction in the level of output of LDCs economies. The amount of resources devoted to combating aid is prohibitive. In Rwanda, for instance, 65 per cent of public health spending goes on AIDS treatment and HIV related complication, while in Tanzania, the proportion is around 40 per cent.

64. According to WHO's latest estimates, there will be 10-15 million AIDS orphans by the year 2000, most of them in sub-Saharan Africa. A joint Ugandan Government/Save the Children Fund (SCF) study, estimates that more than 25,000 children have been orphaned by AIDs in the Rakai district.15/ In Tanzania, the National AIDS Control Programme recently reported that 100,000 children have now been orphaned by the disease, with 50,000 of them living in the Kagera region. The problem of feeding, sheltering, clothing and educating these orphaned children is enormous for African LDCs.

14/ Statement by Dr Michael Merson, Director, WHO Global Programme on AIDs, at the Joint Meeting of African Ministers of Planning, UNDP Resident Representatives and Agency Representatives in the African region, Namibia, 26 November, 1991.

15/ WHO, Global Programme on AIDS, World AIDS day Features, No.3, 1991.

65. In the last decade, major efforts were made, by the African LDCs, in the field of education. However, budgetary pressures, coupled with the rapid population growth rate, estimated at over 3 per cent, among other factors, have undermined the efforts of these countries to make any significant progress towards the eradication of illiteracy. In 1990, it was estimated that there were about 984 million illiterates in the world, of which Africa accounted for 178 million or 18.7 per cent. The illiteracy rate of 62 per cent in developing Africa and, for the African LDCs, 63 per cent, are the highest figures, as compared to Asia (44 per cent), and, Latin America and the Caribbean, (17 per cent). Illiteracy rates are as high as 98 per cent in Burkina Faso, 94.3 per cent in Mali, 73.4 per cent in Rwanda and 68.6 per cent in Tanzania.16/ The average adult literacy rate, estimated for the region, is about 40 per cent, although much lower rates are observable across countries - Somalia (17 per cent), Guinea (24 per cent), Sierra Leone (21 per cent), Burkina Faso (18 per cent), Sudan (22 per cent) and Benin (23 per cent).

Table IV.1: Projected adult literacy rate in African LDCs in the year 2000

Less than 50 per cent	50-74 per cent	75 or more
Benin	Burundi	Botswana
Burkina Faso	Central African Republic	Zambia
Chad	Equatorial Guinea	Zaire
Gambia	Liberia	
Guinea	Mali	
Guinea-Bissau	Rwanda	
Mauritania	Togo	
Mozambique	Uganda	
Niger		
Sierra Leone		
Somalia		
Sudan		

Source: UNESCO.

66. Of greatest significance, however, is the progressive decline in gross enrolment ratio, especially at the first level. For Sub-Saharan Africa, between 1970 and 1980, the average annual growth in enrolment was put at 8.7 per cent. This has fallen to 2.5 per cent within the period 1980 to 1990. Given the annual increase in school-age population, the result was a decline in the gross enrolment ratio. For African LDCs the situation is disconcerting.

16/ Gabriel Carceles (1970): "Is literacy for all by the year 2000 a feasible target" in Prospects, quarterly review of education. UNESCO, Vol.XX, 1990.

For example, In 1990, estimates indicate an enrolment ratio of 58 per cent. Wide intercountry variations exist; on the high side are Botswana (117 per cent) and Lesotho (112 per cent) and on the low side are Mali (23 per cent), Guinea (30 per cent) and Somalia (15 per cent).

67. The educational system continues to exhibit a high gender bias. The adult literacy rate in Africa LDCs is put at 49.2 per cent for men and 27.3 per cent for women. Both primary and secondary school enrolment indicate the same trend. Female enrolment as a percentage of their male counterpart is about 48.2 in the primary school, while in the secondary school, for every one female enroled, there are at least two males and, at the tertiary level, one female is enroled for every four males. In addition, increased poverty, cost sharing, imposed by adjustment programmes, and traditional norms, have all coalesced to account for the low levels of enrolment and high attrition rates for female students. This has tremendous implications for long-term development and structural transformation. For instance, high levels of female literacy are inversely related to high fertility rates, which in turn, ramifies into maternal and child health, among other areas.

68. Another phenomena in the educational system of African LDCs is the high dropout rate. In a recent survey by UNICEF, it was argued that "in the 1990s, the majority of uneducated children will be uneducated not because they did not go to school, but because they did not stay there".17/ Final year primary school enrolment is very low in Africa (47 per cent), compared to other developing regions- Asia (53 per cent) and, Latin America, (64 per cent). The percentage of grade 1 enrolment reaching the final grade of primary school, in African LDCs, is put at 56 per cent, in 1987. This figure masks the 87 per cent, 76 per cent, 68 per cent, 75 per cent, and 78 per cent reported for Burundi, Uganda, Burkina Faso, Niger and Mauritania, respectively.

69. A number of factors account for the high dropout rates in African LDCs. These include, among others, poverty, which necessitates children helping at home and at work; increase in private costs of education, consequent to wide- spread introduction of school fees and cost sharing; progressive deterioration in the quality of learning and, in physical equipment; declining real incomes, which undermines teachers' morale, leading to absenteeism, and the search for supplementary sources of earnings and supports. Shortages of textbooks and learning materials; the deterioration in the infrastructure of support services; lack of school inspection and supervision; in-service teacher education, curriculum development; all contributed to a reduction in the quality of the education process. It is not enough to provide initial access to

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17/ UNICEF: The state of the world's children, 1992.

education, efforts must be made to ensure that the pupils complete the course and that learning actually takes place.

70. The importance of education, both to the individual and the country, cannot be over-emphasised. Education is cardinal to the self-fulfilment and well-being of the individual. Education also plays a significant role in the life of a nation. The extent to which a nation is able to share in world development, is determined by, among other factors, the level, as well as, the quality of its populace. It is in the realization of this, that the 1990 world Summit for children, set the year 2000 as a target date for achieving a basic level of education for at least 80 per cent of the world's children.

71. For African LDCs to realise this goal, certain critical areas need to be re-examined. It has been observed that, generally, that the proportion of government expenditures allocated to education in Africa LDCs, in 1987-1990 is very low, estimated at 14.4 per cent of the budget. For instance, the proportions were: 2 per cent in Somalia, and, 8 per cent, in Chad. The low level of expenditure has a negative effect on the quality of teaching, school attainment of pupils and, on literacy, generally. The children of the poor are mostly the ones who fail at school or who fail to complete their education. Therefore, policy measures and adequate financial resources are essential to alleviate the conditions which lead to absenteeism, "dropping-out", and illiteracy.

72. With most African LDCs suffering from an excruciating debt burden, external assistance should give priority to education. Less than 10 per cent of external aid goes to education, of which, less than 5 per cent is allocated to primary education.18/ Given the huge debt and debt servicing burdens of African LDCs, debt forgiveness, in the form of educational grants or debt for investments in education, will contribute immensely to the development of the education systems in the LDCs.

73. The OPEC Fund for International Development, has lent Benin US$7 million, to finance an education project. The project, whose total cost is US$7.624 million, with the remainder provided by the government, will involve the construction of 60 schools of three classrooms each and, 30 schools of six classrooms each, in the southern Borgu, Zou Atlantique and Oueme provinces. The OPEC Fund is also providing a loan of US$9 million to Mali for a US$12 million primary education project. The project will involve building, furnishing and equipping 67 schools, with a total of 312 classrooms and, is expected to provide 18270 new primary school places.19/

18/ Wadi D. Haddad: Education for all. The role of International Aid in Prospects, UNESCO, Vol.XX, 1990.

19/ Africa Economic Digest, vo..12, No.31, 18 November - 1 December, 1991.

74. The African LDCs are unable to cope with the labour force, which is growing at 2.4 per cent, per annum. The weak economic performance of these countries in the 1980s, together with their rapid population growth, averaging over 3 per cent, has brought a critical unemployment growth, averaging over 3 per cent. The modern sector provides job for about 10 per cent of the total labour force. In many rural areas, environmental degradation have made agricultural production unsustainable causing widespread unemployment and underemployment. Open and disguised unemployment have emerged as one of the most serious problems. Recent estimates show that urban unemployment is worsening in a number of African LDCs. It is estimated at 31.2 per cent, in Botswana; 23 per cent, in Ethiopia; 14.8 per cent, in Sierra Leone; 22.3 per cent, in Somalia; 21.6 per cent, in Tanzania; and, 19 per cent, in Zambia. The number of people out of work in the urban areas, which is currently growing at 10 per cent or more a year, is expected to triple over the next decade.20/

75. Modern sector wage employment slowed down in the 1980s. It declined in the Central African Republic by 33.6 per cent; in Niger, by 13.4 per cent; in Zaire, by 8.5 per cent; in Zambia, by 5.4 per cent; in Tanzania, by 20 per cent; and, in Togo, by 7 per cent. This deceleration in wage employment is partially, as a result of the retrenchment of thousands of civil servants. It is reported that, about 40,000, public sector workers, in Guinea and, 27,000 in Tanzania, were dismissed in the 1980s. Public sector employment of secondary and university graduates, have been abandoned in Benin, Central African Republic, Guinea, Mali, Rwanda, Somalia and the Sudan.

76. The decline in wage employment has been accompanied by a substantial fall in real wages. A combination of wage freezes, inflation, removal or reduction of subsidies, have sharply reduced real wage levels. Reduced subsides on many consumer goods and urban transport; increased charges for schooling; and, price controls on basic food staples, have squeezed the capacity of low-income urban groups to pay for food, shelter, clothing and other necessities. Real wage earnings for civil servants can barely meet subsistence living in Somalia, Sierra Leone and Tanzania. Compared to 1980, the purchasing power of the minimum wage fell by 20 per cent in Togo, by 60 per cent in Tanzania, and, by 80 per cent, in Sierra Leone, in 1989. In a number of countries, minimum wage levels have fallen far below the food-poverty line. In Sierra Leone, for example, the average household in Freetown needed the equivalent of 17 times the minimum government wages in 1990, to maintain its nutritional standards of 1976/77. Modern sector wage employees are forced to seek other income sources, including peri-urban farming and informal activities. The informal sector is increasingly becoming the employer of the last resort in urban

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20/ ILO/JASPA, African Employment Report 1990, JASPA, Addis Ababa, 1991.

African LDCs. Currently, it accounts for an estimated 61 per cent of the urban labour force.

77. One of the basic development objectives of African LDCs during the 1990s, is the eradication of poverty. Social development in general, and employment creation in particular are part of the means of achieving that goal. Development strategies in the 1990s have to be truly human-centred and, have to promote a more democratic and participatory approach and, encourage environmentally sustainable growth. Due attention should be given to policies aimed at promoting better environmental management. Macro-economic and sectoral policies should also be redesigned in order to create an enabling environment for the growth of small-scale enterprises in rural and urban areas as an avenue for employment generation. In the long-run, a successful programme of population control can also make a significant contribution, to the attainment of the basic social and economic objectives, of the African LDCs.

V. EXTERNAL RESOURCE FLOWS AND DEBT

78. Total financial flows from all sources to African LDCs declined in the 1988-1990 period, in real terms, from US$9.1 billion, in 1988 to US$8.7 billion, in 1989, and estimates for 1990 (at 1989 prices), indicate a further decline, to US$8.4 billion.

79. Sub-saharan Africa, which comprises of 31 LDCs, is expected to account for more than three-fourths of the region's gross financing needs in the 1990s. It is estimated that the Sub-saharan economies will require external financing of the order of US$28-30 billion a year (1988 dollars), in the form of both new financing and reduction in debt service , if a GDP growth of 5 per cent is to be achieved by the year 2000.21/ In aggregate terms, the Bank's studies also suggest that ODA must increase by 4 per cent a year in real terms, if Sub-saharan economies are to achieve their growth targets. However, ECA's preliminary estimates show that, even at a higher level of 4.5 per cent increase in OECD concessional lending, the African LDCs, excluding Zaire and Zambia, will receive only US$11.6 billion, on a commitment basis, annually, in the 1990s. Such a level of aid flows is no where near the funding requirements of the LDCs, as revealed by their country presentations to the Paris Conference, in September, 1990.22/

21/ World Bank, African External Finance in the 1990s-Edited by Ishrat Husain and John Underwood.

22/ ECA, African LDCs: Implementation of the Programme of action for the LDCs for the 1990s, (1990-1991)-E/ECA/LDCs.11/EXP.10/3, of 19 March, 1992.

80. In June, 1991, donors agreed to support Tanzania's final third- year, of the Second Phase, of the government's Economic Recovery Programme, with grants and soft loans totalling US$980 million. Grants are expected to constitute more than half of the total flows in 1991-1992, with a large proportion taking the form of quick-disbursing assistance in support of the government's open General Licenses and foreign exchange system. Also in March, 1990, donors pledged US$650 million in support of Zambia's Economic Reform Programme. Such commitments, if even they were translated into actual disbursements, will not contribute sufficiently to the effective implementation of the reform measures in both countries, considering the magnitude of their present resource requirements for overall social and economic development.

81. Fourteen African LDCs are currently implementing structural adjustment programmes supported by credits from the International Monetary Fund (IMF) under the Fund's Structural Adjustment Facility (SAF) and the Enhanced Structural Adjustment Facility (ESAF). The financial support of the IMF, is around SDR809.83 million, with an undrawn balance, to date, of SDR 432.52 million: SDR 80.64 million under SAF with an undrawn balance of SDR 48.21 million and SDR 729.23 million under the ESAF with an undrawn balance of SDR 432.53 million.

82. The World Bank had adopted a special programme of assistance (SPA), in 1987, for debt-distressed low-income African countries. It encompasses quick-disbursing concessional bilateral and multilateral assistance to SPA-eligible countries that are pursuing adjustment programmes. According to World Bank sources, IDA disbursement to SPA countries in support of adjustment programmes, was about US$2.9 billion during 1989-1990. In 1991, aggregate IDA disbursements to 24 SPA-eligible countries, was estimated at US$1.3 billion and SPA disbursements for co-financing and coordinated financing of IDA-supported adjustment programmes, were expected to reach US$1.9 billion.

83. Despite these financial assistance flows, the multilateral financing institutions-IMF and the World Bank, as well as the African Development Bank (ADB)-are not likely to be major sources of external financing for the African LDCs, in the 1990s. The World Bank studies argue, that disbursements from these institutions will not register any substantial increases in the late 1990s, unless the replenishments of their funding operations are made at higher levels, in real terms.23/

84. The external debt stock of African LDCs, including the use of IMF credits, had risen from US$48.5 billion in 1988 to US$51.3 billion in 1989, US$ 57.2 billion in 1990. Seven LDCS: Ethiopia, Guinea, Mozambique, Somalia, Sudan, Tanzania and Uganda, accounted

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23/World Bank, Africa External finance in the 1990s. op.cit.

for US$31.1 billion or 64.5 per cent of the total external debt of the 29 African LDCs, in 1989 and, $39.3 billion or 68.7 per cent, in 1990. The total debt stock of African LDCs is quite large in relation to GNP, and it represented, as a proportion of GNP, 99 per cent, in 1989 and 110 per cent, in 1990. Also, despite debt relief, the debt service ratio is significantly high. The debt service (payments of principal plus interest) as a percentage of export of goods and services is estimated at 13.3 per cent in 1990.24/

85. The amount of the debt stock of African LDCs is relatively low as compared to other developing countries, but it is their inability to meet debt service obligations, that has aggravated the debt burden. Eighteen LDCs in Africa are amongst a group of 26 severely indebted low-income countries for which the World Bank estimated that higher oil prices would have absorbed more than 10 per cent of export earnings and make for a GDP loss of about 1.7 per cent in 1991.25/ The underlying causes of the debt-servicing difficulties of the African LDCs are basically the structural weaknesses of these economies, including poorly diversified exports.

86. Zambia is seeking help for the payment of US$140 million owed to the IMF. According to government sources, donors have promised to pay the country's US$35 million debt owed to the World Bank, in addition to the repayment of arrears by the government, of some US$50 million. This has allowed Zambia to draw US$71 million, from an US$80 million loan which was suspended in September, 1991, because of default on arrears. Uganda's total external debt stock, is currently estimated at US$2 billion, on which arrears had risen by 25 per cent to US$269 million, in April 1990, from US$214 million, in 1989. Arrears owed to multilateral financing institutions in interest servicing, rose from US$190 million in 1987 to US$224 million in 1989 and, reached US$350 million, by the end of June 1991. About 94 per cent of the total debt are in hard loans from multilateral sources, which are not eligible for rescheduling.

87. The World Bank had established an IDA debt reduction facility funded by a US$ 100 million drawn from the profits of the Bank. This is a fund intended to help countries which are too poor to adopt the Brady terms for debt re-scheduling. Niger is the first LDC in Africa to benefit from this new debt fund. Under the scheme, Niger will receive a US$ 10 million gift from IDA resources to buy back a US$ 108 million of commercial debts at 18 per cent of

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24/ ECA estimates based on data from the World Bank:- World Debt Tables, 1991-1992: External Debt of developing countries. Vol. 1. Analysis and Summary tables. The estimates and analysis exclude Zaire (with an estimated total external debt stock of $8.5 billion in 1989 rising to $10.5 billion in 1990) and Zambia ($5.8 billion in 1989 and $6.3 billion in 1990).

25/ World Bank, World Debt Tables, 1990-1991: External debt of Developing Countries, Vol. I. Analysis and Summary Tables p.23.

their face value. Mozambique, with some US$ 280 million of commercial debts, is next in line for the use of the new debt fund.

88. Thirteen African LDCs had so far concluded agreements between November 1988 and March 1991, under the Toronto terms, involving a total amount of US$ 1878 million. The average length of the consolidation periods, for agreements concluded so far under the Toronto Terms, lies between 12 and 18 months.26/ Of the 13 countries, only six obtained the bulk of the debt relief, amounting to US$ 1316 million. The hardness of the Toronto terms had already necessitated frequent re-schedulings on behalf of most of the eligible countries. In fact, the inadequacies of the Toronto "menu options", in terms of the low levels of relief and short consolidation periods, prompted the Trinidad Terms proposed by the United Kingdom, in order to address the constraints imposed by the formula of the Toronto "menu options".

89. Under the Trinidad terms, there should be a one-time reduction of about two-thirds of the total debt stock and the remainder repayable over 25 years. These proposals should be sympathetically looked at by OECD creditors of African LDCs. The debt relief measures implemented so far have proved inadequate to restore external viability in African LDCs, since a substantial amount of the debt is owed to multilateral financing institutions and development banks, which cannot be rescheduled within the framework of the Paris Club. Although official debt relief does not, in itself, directly address the problems of stabilization and structural reforms, it indirectly contributes to the economic reform processes underway in African LDCs, through support to their adjustment programmes.

VI. Economic Reform Programmes and Growth Prospects in 1992 27/

90. In the 1990-1991 period, the governments of the African LDCs were engaged in implementing economic reform programmes (ERPs), which were either supported by credits from the IMF and the World Bank or monitored by these institutions for countries who are in non-accrual status with the Bank and those that are ineligible to use the general resources of the IMF on account of accumulated arrears. In some LDCs, such as the Gambia, Lesotho and Uganda, the social dimension of adjustment are addressed as integral parts of the ERPs, in order to mitigate the adverse effects of adjustment

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26/ World Bank: World Debt Tables, 1991-1992. External Debt of Developing Countries. Vol. I, Analysis and Summary Tables.

27/ The data and information used in the analysis have been sourced from materials obtained by ECA/SERPD staff members on missions to African LDCs in 1991 for the Survey of economic and social conditions in Africa; as well as various issues of the IMF survey.

measures on the poor. The programmes are aimed at restoring external viability and at reducing extensive public sector intervention in the economy so as to eliminate large-scale fiscal deficits and provide investment opportunities to the private sector. The measures include: liberalization of the trade and exchange rate regimes; decontrol of prices; interest rate adjustments; and, reduction in public sector expenditures.

91. Lesotho had attained high rates of growth in real GDP of well over 7 per cent since 1987, with significant improvements in the external current account and, in general, the enhancement of overall economic and financial management. In 1991, the Government of Lesotho received approval to use IMF resources totalling SDR 18.1 million in support of the country's three-year economic and financial programme, 1991/92-1993/94. The programme is designed to maintain the thrust of current macro-economic policies and structural reforms in order to consolidate the gains achieved so far; diversify the productive and export base, promote privatization of selected public enterprises, reduce the savings/investment gap, and improve balance of payments performance.

92. The objectives of the 1991/92 programme is to attain a real GDP growth of about 7 per cent; a reduction in the rate of inflation and to contain the external current account deficit. This would require increased investments; tighter monetary and credit policies; further reductions in the overall budget deficit, as well as appropriate interest rate policies. The strategy for the mitigation of the effects of adjustment measures on the poor, include policies for employment creation, particularly in manufacturing, where the LNDC-assisted companies have succeeded in generating jobs in recent years. The government will also increase expenditure to social sector programmes and facilities that will benefit the vulnerable segment of the Basotho population.

93. Malawi's economic growth has increased successively during the ERP years. According to ECA's estimates, real GDP increased by 3.5 per cent in 1988, 4 per cent in 1989, 4.5 per cent in 1990 and reaching 5 per cent in 1991. A comprehensive import liberalization programme and stable financial conditions contributed to a recovery in the manufacturing and distribution sectors, while favourable weather conditions in 1990/91 enhanced agricultural production. The budgetary deficit, excluding grants, declined from 9.7 per cent of GDP in 1987/88 to 5.6 per cent in 1991, while inflation fell from 31 per cent in 1988 to about 11 per cent in 1990, despite a drought in early 1990 that affected food supply.

94. Within the framework of the medium-term programme, 1988/89-1991/92, SDR 11.1 million was recently provided for the fourth-year programme, 1991/92. Malawi's strategy for sustained growth with low inflation under the ERP had been underpinned by restrained financial policies and an increasingly liberal exchange system.

These policy approaches will remain the same for the 1991/92 programme, which aims at achieving an annual growth of 4.5 per cent, reduce inflation to 9 per cent, contain the external current account deficit at 8.8 per cent of GDP in 1991 and 8.3 per cent in 1992. The programme is also aimed at an increase in private investment and savings, and the consolidation of the fiscal deficit at 6 per cent of GDP. A new investment code is already in place and expected to encourage capital formation and increase foreign direct investment. However, a serious drought has again recurred in southern Africa, which may adversely affect food production and supplies in Malawi, which is already saddled with a large refugee population. This development is bound to have serious implications for the attainment of the objectives of the country's ERP in 1992.

95. The economy of Sierra Leone has been facing serious economic and financial difficulties, mainly due to economic mismanagement and the failure to maintain financial discipline. On account of accumulated arrears, the government is in a difficult position, with the IMF, the World Bank and the African Development Bank (ADB)). The country was placed in non-accrual status with the World Bank in August 1987 for arrears estimated at $ 8.5 million at end-march, 1990, and was declared ineligible to use the general IMF resources in April 1988. The government owes the Fund SDR 71 million (127 per cent of quota) in arrears. Also, on account of arrears owed to the ADB of some $ 3.5 million, the Bank suspended disbursements in January 1989.

96. Sierra Leone has being implementing economic reform measures since December 1989. The measures include the liberalization of the foreign exchange market whereby the value of the Leone is market-determined as of April, 1990; the abolition of import and export licenses in December 1989, with the exception of gold and diamond exports, for monitoring purposes. In order to absorb excess liquidity outside the banking system, the government introduced in 1990, high-yielding special treasury bills at discount rate of 60 per cent per annum and, adjusted commercial bank interest rate upwards to 46 per cent, on deposits over nine months. To improve the flow and allocation of foreign exchange resources to priority sectors of the economy, foreign exchange bureaux operations are now allowed for the purchase and sale of hard currencies. The country's economic performance in 1990/91 reflected the continuation of the economic stabilization measures. Real GDP increased by 2.4 per cent in 1989/90 and by 5.8 per cent in 1990/91. Inflation persisted in 1990/91, mainly on account of rapid depreciation of the leone, and the deficit financing of the budget.

97. In 1990, the government adopted the "Economic and Financial Policy Framework, 1990/91-1992/93", designed in collaboration with the IMF and the World Bank. The policy framework is being closely monitored by the Fund as part of current arrangements for the resumption of the use of IMF resources under its "Rights

Accumulation" programme. The objectives of the policy framework are to achieve an average annual growth in real GDP of about 5 per cent; reduce inflation to 15 per cent in 1992/93; strengthen the balance of payments substantially; eliminate external payments arrears and reduce the need for exceptional financial support. However, to repulse the rebel incursions which started in March, 1991, the government has been forced to allocate some Le 2.3 billion during the current fiscal year.28/. In such a circumstance, it is difficult to see how, a fragile economy like Sierra Leone, will be able to absorb such sudden increases in military expenditures on top of the extra-expenditures already being incurred for oil imports, and at the same time meet the targets of the policy framework in 1992/93.

98. The Comoros has received three loans equivalent to SDR 3.15 million under the structural adjustment facility of IMF, in support of the country's three-year economic and financial reform programme. This is the country's first use of IMF credits and the initial tranche of SDR 0.9 million was made available in 1991. In the 1986-1989, the Comoros experienced increasingly severe structural and financial problem. Economic growth stagnated at an average of 0.8 per cent in 1988-1989, while the population was growing at 3 per cent per annum. The private sector was constrained by administrative interventions and the level of gross domestic investment fell significantly. Investment as a percentage of GDP dropped from 34.9 per cent in 1987 to 18.1 per cent in 1990. Also large budgetary and current account deficits were recorded, and external payment arrears accumulated.

99. Faced with the above difficulties, the government of Comoros implemented, in 1989-1990, a number of structural and financial reforms, which focused on the external imbalances; rationalization of public enterprises and the restoration of budgetary balance. GDP has recovered slightly, increasing by 1.4 per cent in 1991, which is not too far from the ERP target of about 2.1 per cent per annum. The thrust of the programme for 1991-1993, is to reduce internal and external imbalances and create an environment that allow for improvement in private sector investments.

100. The above country analysis is representative of the economic reform measures been implemented by African LDCs, to improve their external viability and to promote growth. In general, the achievements of the adjusting countries are within the target range of their programmes, which demonstrates better economic and financial management. That the IMF is providing financial support to the programmes is significant, in that, this will provide the necessary confidence in these economies to allow for increased bilateral and multilateral funding for balance of payments support and adjustment programmes. However, the prospects for substantial

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28/ Government of Sierra Leone: The 1991/92 Budget Speech - 28 June, 1991.

growth in African LDCs economies are clouded by the uncertainties associated with the funding levels of aid budgets of major donors due to the current recession in OECD economies. The recession will also have negative effects on market conditions, in terms of international demand and prices for the LDCs exports. This will affect their export earnings and as a result reduce their capacity to import.

101. In spite of the above, however, ECA's preliminary estimates indicate an overall recovery in the economies of the African LDCs, in 1992. Real GDP (1980 prices) is projected to increase by 4.6 per cent, as compared to a forecast of 3.4 per cent, for developing Africa as whole. The improved performance is predicated upon a strong recovery in the agriculture sector on account of anticipated good climatic conditions.29/ Agriculture value-added is estimated to increase by 3.6 per cent, which growth is expected to induce a 12.6 per cent increase in value-added of agro-based industries that account for the bulk of the manufacturing output of the LDCs. Country-specific projections indicate that only two LDCs are expected to record negative growth rates, while ten will register increases in real GDP of the order of between 2.5 and 5 per cent, and six may exceed 5 per cent.

29/ ECA is aware of the "Drought Alert" in the Southern African Sub-region. Depending on the severity of the drought and, its impact on agricultural production, in Botswana, Lesotho and Zambia, the anticipated recovery in total LDCs agricultural output, may prove illusory. Caution is therefore needed in interpreting the estimates.

STATISTICAL ANNEX

Table A.1: Africa LDCs, GDP trends at 1980 constant market prices
(US$ billion)

	1987	1988	1989	1990E	1991E	1992P
1. BENIN	1.636	1.729	1.757	1.790	1.834	1.877
2. BOTSWANA	1.805	1.980	2.245	2.382	2.579	2.700
3. BURKINA FASO	2.189	2.354	2.345	2.372	2.487	2.574
4. BURUNDI	1.274	1.336	1.356	1.404	1.488	1.548
5. CAPE-VERDE	0.092	0.094	0.098	0.092	0.093	0.094
6. COMOROS	0.146	0.147	0.148	0.149	0.151	0.151
7. DJIBUTI	0.374	0.395	0.404	0.454	0.477	0.477
8. ETHIOPIA	4.752	4.852	4.932	4.891	4.723	4.868
9. GAMBIA	0.283	0.296	0.299	0.320	0.305	0.325
10. GUINEA	1.990	2.136	2.222	2.320	2.433	2.563
11. GUINEA-BISSAU	0.194	0.206	0.225	0.221	0.227	0.231
12. EQUATORIAL GUINEA	0.056	0.056	0.057	0.057	0.057	0.056
13. LESOTHO	0.422	0.470	0.444	0.520	0.534	0.567
14. LIBERIA	1.025	1.030	1.021	0.919	0.868	0.886
15. MALAWI	1.561	1.615	1.680	1.755	1.843	1.926
16. MALI	2.141	2.259	2.445	2.443	2.541	2.640
17. MAURITANIA	0.836	0.857	0.902	0.905	0.956	0.999
18. MOZAMBIQUE	2.006	2.114	2.213	2.194	2.312	2.367
19. NIGER	2.296	2.485	2.480	2.528	2.613	2.550
20. UGANDA	3.279	3.504	3.733	3.887	4.005	4.219
21. CENTRAL AFRICAN REPUBLIC	0.960	1.022	1.058	1.099	1.092	1.105
22. TANZANIA	5.822	6.073	6.306	6.506	6.393	6.706
23. RWANDA	1.443	1.456	1.510	1.515	1.478	1.508
24. SAO TOME & PRINCIPE	0.032	0.036	0.043	0.048	0.049	0.049
25. SIERRA LEONE	1.158	1.112	1.113	1.201	1.191	1.191
26. SOMALIA	2.791	2.862	2.941	2.943	2.707	2.748
27. SUDAN	8.620	8.570	8.948	8.965	9.025	9.493
28. CHAD	0.946	1.070	1.109	1.136	1.176	1.209
29. TOGO	1.085	1.139	1.182	1.182	1.230	1.277
TOTAL AFRICAN LDCs (29 countries)	51.214	53.255	55.216	56.198	56.867	58.904
ZAIRE	17.540	17.840	17.570	17.490	15.850	17.310
ZAMBIA	4.038	4.045	4.011	3.949	3.833	3.887
TOTAL AFRICAN LDCs (31 countries)	72.792	75.140	76.797	77.637	76.550	80.101

Source: ECA; (E)= estimates; (P)= projections

Table A.2: African LDCs, Real GDP growth rate
(per cent per annum)

	1988	1989	1990E	1991E	1992P
1. BENIN	5.7	1.6	1.9	2.5	2.3
2. BOTSWANA	9.7	13.4	6.1	8.3	4.7
3. BURKINA FASO	7.5	-0.4	1.2	4.8	3.5
4. BURUNDI	4.9	1.5	3.5	6.0	4.0
5. CAPE-VERDE	2.2	4.3	-6.1	1.1	1.1
6. COMOROS	0.7	0.7	0.7	1.3	0.0
7. DJIBUTI	5.6	2.3	12.4	5.1	0.0
8. ETHIOPIA	2.1	1.6	-0.8	-3.4	3.1
9. GAMBIA	4.6	1.0	7.0	-4.7	6.6
10. GUINEA	7.3	4.0	4.4	4.9	5.3
11. GUINEA-BISSAU	6.2	9.2	-1.8	2.7	1.8
12. EQUATORIAL GUINEA	0.0	1.8	0.0	0.0	-1.8
13. LESOTHO	11.4	-5.5	17.1	2.7	6.2
14. LIBERIA	0.5	-0.9	-10.0	-5.5	2.1
15. MALAWI	3.5	4.0	4.5	5.0	4.5
16. MALI	5.5	8.2	-0.1	4.0	3.9
17. MAURITANIA	2.5	5.3	0.3	5.6	4.5
18. MOZAMBIQUE	5.4	4.7	-0.9	5.4	2.4
19. NIGER	8.2	-0.2	1.9	3.4	-2.4
20. UGANDA	6.9	6.5	4.1	3.0	5.3
21. CENTRAL AFRICAN REPUBLIC	6.5	3.5	3.9	-0.6	1.2
22. TANZANIA	4.3	3.8	3.2	-1.7	4.9
23. RWANDA	0.9	3.7	0.3	-2.4	2.0
24. SAO TOME & PRINCIPE	12.5	19.4	11.6	2.1	0.0
25. SIERRA LEONE	-4.0	0.1	7.9	-0.8	0.0
26. SOMALIA	2.5	2.8	0.1	-8.0	1.5
27. SUDAN	-0.6	4.4	0.2	0.7	5.2
28. CHAD	13.1	3.6	2.4	3.5	2.8
29. TOGO	5.0	3.8	0.0	4.1	3.8
TOTAL AFRICAN LDCs (29 countries)	4.0	3.7	1.8	1.2	3.6
ZAIRE	1.7	-1.5	-0.5	-9.4	9.2
ZAMBIA	0.2	-0.8	-1.5	-2.9	1.4
TOTAL AFRICAN LDCs (31 countries)	3.2	2.2	1.1	-1.4	4.6

Source: ECA

Table A.3: African LDCs, Real Domestic Savings Rate
(as % of GDP)

	1987	1988	1989	1990E	1991E	1992P
1. BENIN	12.8	5.2	23.5	13.7	14.9	15.4
2. BOTSWANA	39.5	34.7	35.3	32.1	30.3	28.5
3. BURKINA FASO	1.1	4.3	-6.4	-6.5	-4.5	-3.6
4. BURUNDI	9.9	3.7	8.2	7.5	7.1	6.7
5. CAPE-VERDE	-27.2	-26.6	-27.6	-28.3	-28.0	-26.6
6. COMOROS	14.4	13.6	13.5	13.4	13.9	13.9
7. DJIBUTI	-0.8	3.3	0.7	7.5	9.6	9.6
8. ETHIOPIA	0.8	1.1	2.5	4.0	8.1	10.4
9. GAMBIA	2.8	4.7	-0.7	4.4	2.3	4.9
10. GUINEA	25.8	17.4	18.5	19.6	20.3	21.8
11. GUINEA-BISSAU	-18.6	-17.0	-17.8	-17.2	-10.6	-11.3
12. EQUATORIAL GUINEA	-1.8	10.7	5.3	35.8	3.5	1.8
13. LESOTHO	-68.5	-72.8	-53.4	-30.8	-36.3	-32.8
14. LIBERIA	30.0	30.5	30.5	18.9	6.3	6.0
15. MALAWI	10.4	8.1	3.1	14.4	13.9	16.0
16. MALI	6.3	5.8	11.6	9.0	10.4	11.7
17. MAURITANIA	-14.5	-15.4	-9.4	-11.8	-9.1	-7.4
18. MOZAMBIQUE	-3.6	-1.8	-1.0	1.1	2.1	2.1
19. NIGER	7.5	7.7	8.1	0.0	0.0	0.0
20. UGANDA	-7.3	-6.2	-2.4	2.3	6.5	8.7
21. CENTRAL AFRICAN REPUBLIC	-7.0	-7.5	-7.0	-8.3	-8.4	-11.7
22. TANZANIA	23.2	13.4	17.2	11.4	13.0	13.0
23. RWANDA	-3.3	-4.3	-2.3	-3.8	-7.2	-4.8
24. SAO TOME & PRINCIPE	-6.2	16.7	46.5	37.5	38.8	38.8
25. SIERRA LEONE	-4.0	-9.5	-12.8	-8.5	-11.9	-13.9
26. SOMALIA	2.2	4.5	5.1	5.1	2.4	2.1
27. SUDAN	3.1	2.4	2.8	2.8	6.7	9.0
28. CHAD	-7.1	-4.8	-1.2	0.5	3.1	5.1
29. TOGO	17.8	18.7	17.9	15.7	17.0	17.7
TOTAL AFRICAN LDCs (29 countries)	6.4	4.6	6.4	5.7	7.0	8.0
ZAIRE	-49.3	-59.2	-64.7	-56.1	-56.6	-97.1
ZAMBIA	-37.6	-36.7	-37.0	-36.7	-40.3	-37.9
TOTAL AFRICAN LDCs (31 countries)	-9.4	-12.8	-12.1	-10.4	-8.5	-16.9

Source: ECA

Table A.4: African LDCs, trends in domestic investment
(as % of GDP)

	1987	1988	1989	1990E	1991E	1992P
1. BENIN	15.0	8.3	26.4	17.3	17.3	17.5
2. BOTSWANA	20.5	21.7	18.8	34.5	20.2	21.3
3. BURKINA FASO	26.1	26.0	20.0	21.9	22.8	22.1
4. BURUNDI	14.8	7.3	9.3	10.2	11.1	11.4
5. CAPE-VERDE	45.7	46.8	46.9	46.7	47.3	46.8
6. COMOROS	34.9	21.1	17.6	18.1	18.5	18.5
7. DJIBUTI	18.7	28.4	28.5	85.0	83.9	83.9
8. ETHIOPIA	12.7	12.4	10.6	9.1	14.6	17.6
9. GAMBIA	17.3	17.2	17.7	38.1	24.3	23.8
10. GUINEA	12.3	10.7	11.0	11.7	12.4	12.7
11. GUINEA-BISSAU	23.2	24.3	28.0	18.6	20.7	20.8
12. EQUATORIAL GUINEA	28.6	55.4	49.1	35.1	36.8	37.5
13. LESOTHO	34.6	37.0	47.3	47.1	48.9	48.7
14. LIBERIA	16.7	6.5	5.4	5.1	5.4	5.3
15. MALAWI	9.8	12.4	13.4	15.3	17.6	17.8
16. MALI	25.1	25.6	29.0	26.8	25.7	25.2
17. MAURITANIA	20.6	16.8	28.0	28.2	31.8	35.2
18. MOZAMBIQUE	19.4	21.5	22.1	22.5	22.4	22.9
19. NIGER	11.0	11.1	14.4	9.0	8.9	8.9
20. UGANDA	6.0	7.1	7.3	6.5	8.1	10.4
21. CENTRAL AFRICAN REPUBLIC	15.2	11.5	10.3	9.6	9.8	12.2
22. TANZANIA	30.8	29.0	26.9	22.1	25.0	24.8
23. RWANDA	17.2	17.4	16.0	15.6	15.1	13.7
24. SAO TOME & PRINCIPE	25.0	36.1	74.4	62.5	63.3	63.3
25. SIERRA LEONE	6.9	7.6	11.2	10.2	10.1	10.7
26. SOMALIA	14.9	12.9	14.3	10.9	8.8	8.6
27. SUDAN	8.3	8.3	9.1	5.8	19.7	20.2
28. CHAD	13.4	11.5	12.6	19.4	19.0	20.7
29. TOGO	17.9	16.1	14.1	15.3	15.7	15.6
TOTAL AFRICAN LDCs (29 countries)	16.1	15.4	16.1	15.6	18.2	18.9
ZAIRE	11.5	9.0	8.9	9.0	4.7	5.1
ZAMBIA	10.2	14.3	11.9	12.6	14.5	14.5
TOTAL AFRICAN LDCs (31 countries)	14.7	13.8	14.2	14.0	15.2	15.7

Source: ECA

Table A.5: African LDCs, GDP trends at 1980 factors cost
(US$ billion)

	1987	1988	1989	1990	1991	1992
1. BENIN	1.490	1.576	1.601	1.631	1.670	1.711
2. BOTSWANA	1.805	1.980	2.245	2.382	2.579	2.700
3. BURKINA FASO	2.082	2.241	2.222	2.235	2.340	2.423
4. BURUNDI	1.184	1.203	1.206	1.286	1.335	1.416
5. CAPE-VERDE	0.089	0.093	0.097	0.090	0.091	0.092
6. COMOROS	0.137	0.138	0.139	0.140	0.142	0.142
7. DJIBUTI	0.271	0.273	0.273	0.276	0.279	0.280
8. ETHIOPIA	4.272	4.353	4.424	4.387	4.237	4.367
9. GAMBIA	0.263	0.275	0.278	0.248	0.284	0.302
10. GUINEA	1.603	1.721	1.790	1.869	1.960	2.064
11. GUINEA-BISSAU	0.191	0.205	0.222	0.218	0.225	0.229
12. EQUATORIAL GUINEA	0.041	0.042	0.048	0.047	0.049	0.049
13. LESOTHO	0.368	0.410	0.441	0.472	0.480	0.510
14. LIBERIA	0.876	0.860	0.873	0.786	0.742	0.758
15. MALAWI	1.343	1.390	1.446	1.510	1.586	1.657
16. MALI	2.141	2.259	2.445	2.443	2.541	2.640
17. MAURITANIA	0.715	0.730	0.772	0.776	0.813	0.845
18. MOZAMBIQUE	1.771	1.891	1.989	1.928	1.971	1.991
19. NIGER	2.177	2.367	2.361	2.414	2.504	2.437
20. UGANDA	3.217	3.437	3.661	3.812	3.928	4.137
21. CENTRAL AFRICAN REPUBLIC	0.983	1.016	1.045	1.068	1.037	1.092
22. TANZANIA	5.178	5.401	5.608	5.786	5.685	5.964
23. RWANDA	1.322	1.342	1.360	1.356	1.309	1.364
24. SAO TOME & PRINCIPE	0.037	0.037	0.039	0.041	0.038	0.038
25. SIERRA LEONE	0.997	1.010	1.039	1.097	1.110	1.129
26. SOMALIA	2.613	2.680	2.753	2.756	2.535	2.574
27. SUDAN	8.024	7.978	8.308	8.324	8.379	8.814
28. CHAD	0.921	1.042	1.080	1.106	1.145	1.177
29. TOGO	1.085	1.139	1.182	1.182	1.230	1.277
TOTAL AFRICAN LDCs (29 countries)	47.196	49.109	50.948	51.716	52.224	54.181
ZAIRE	17.250	17.540	17.290	17.190	15.590	17.020
ZAMBIA	3.889	3.896	3.886	3.836	3.765	3.795
TOTAL AFRICAN LDCs (31 countries)	68.335	70.545	72.124	72.742	71.579	74.996
DEVELOPING AFRICA	344.238	355.608	366.454	377.668	385.675	398.974

Source: ECA

Table A.6: African LDCs, Agriculture value added at 1980 prices
(US$ billion)

	1987	1988	1989	1990	1991	1992
1. BENIN	0.560	0.632	0.668	0.674	0.701	0.723
2. BOTSWANA	0.063	0.066	0.066	0.068	0.073	0.075
3. BURKINA FASO	0.877	0.998	0.969	0.936	0.981	1.026
4. BURUNDI	0.690	0.701	0.686	0.720	0.736	0.752
5. CAPE-VERDE	0.022	0.023	0.024	0.024	0.023	0.023
6. COMOROS	0.065	0.067	0.067	0.069	0.071	0.071
7. DJIBUTI	0.014	0.014	0.014	0.013	0.014	0.014
8. ETHIOPIA	1.903	1.862	1.904	1.908	1.919	1.958
9. GAMBIA	0.136	0.141	0.135	0.147	0.126	0.139
10. GUINEA	0.609	0.612	0.628	0.651	0.674	0.698
11. GUINEA-BISSAU	0.094	0.099	0.109	0.106	0.109	0.112
12. EQUATORIAL GUINEA	0.017	0.017	0.017	0.018	0.018	0.018
13. LESOTHO	0.067	0.080	0.068	0.075	0.066	0.070
14. LIBERIA	0.313	0.319	0.318	0.275	0.253	0.261
15. MALAWI	0.531	0.542	0.555	0.555	0.609	0.631
16. MALI	1.188	1.245	1.428	1.359	1.403	1.445
17. MAURITANIA	0.181	0.186	0.190	0.179	0.198	0.205
18. MOZAMBIQUE	0.777	0.821	0.859	0.872	0.891	0.911
19. NIGER	0.968	1.029	0.985	0.898	1.029	0.916
20. UGANDA	2.323	2.457	2.595	2.684	2.734	2.860
21. CENTRAL AFRICAN REPUBLIC	0.429	0.450	0.456	0.463	0.473	0.488
22. TANZANIA	2.600	2.717	2.977	2.924	2.684	2.805
23. RWANDA	0.547	0.535	0.569	0.574	0.575	0.576
24. SAO TOME & PRINCIPE	0.012	0.012	0.012	0.013	0.009	0.009
25. SIERRA LEONE	0.388	0.416	0.397	0.418	0.429	0.440
26. SOMALIA	1.838	1.893	1.955	1.964	1.790	1.844
27. SUDAN	2.506	2.199	2.370	2.286	2.183	2.575
28. CHAD	0.425	0.522	0.498	0.490	0.510	0.521
29. TOGO	0.356	0.358	0.374	0.371	0.401	0.424
TOTAL AFRICAN LDCS (29 countries)	20.457	21.023	21.893	21.734	21.682	22.590
ZAIRE	4.870	4.970	5.110	5.120	5.160	5.250
ZAMBIA	0.671	0.704	0.685	0.635	0.597	0.585
TOTAL AFRICAN LDCS (31 countries)	25.998	26.697	27.688	27.489	27.439	28.425
DEVELOPING AFRICA	75.704	78.957	82.303	82.055	84.55	87.977

Source: ECA

Table A.7: African LDCs, Mining value added at 1980 prices
(US$ billion)

	1987	1988	1989	1990	1991	1992
1. BENIN	0.046	0.042	0.039	0.042	0.039	0.039
2. BOTSWANA	0.798	0.826	0.967	0.935	0.977	1.000
3. BURKINA FASO	0.019	0.019	0.019	0.021	0.022	0.023
4. ETHIOPIA	0.005	0.007	0.007	0.007	0.015	0.017
5. GUINEA	0.337	0.325	0.335	0.330	0.344	0.358
6. LESOTHO	0.002	0.001	0.006	0.003	0.004	0.004
7. LIBERIA	0.105	0.103	0.102	0.051	0.051	0.051
8. MALI	0.032	0.035	0.036	0.037	0.039	0.041
9. MAURITANIA	0.077	0.078	0.101	0.097	0.092	0.094
10. MOZAMBIQUE	0.007	0.009	0.009	0.009	0.009	0.009
11. NIGER	0.147	0.115	0.106	0.141	0.117	0.121
12. CENTRAL AFRICAN REPUBLIC	0.031	0.030	0.035	0.037	0.036	0.036
13. TANZANIA	0.032	0.029	0.030	0.035	0.053	0.079
14. RWANDA	0.002	0.002	0.003	0.004	0.005	0.006
15. SIERRA LEONE	0.080	0.079	0.090	0.101	0.094	0.088
16. SOMALIE	0.007	0.007	0.007	0.007	0.007	0.007
17. SOUDAN	0.013	0.013	0.013	0.013	0.013	0.013
18. TCHAD	0.007	0.007	0.008	0.013	0.012	0.012
19. TOGO	0.084	0.107	0.108	0.079	0.080	0.080
TOTAL AFRICAN LDCs (29 countries)	1.831	1.834	2.021	1.962	2.009	2.078
ZAIRE	1.360	1.260	1.230	1.130	0.830	0.950
ZAMBIA	0.554	0.530	0.580	0.597	0.561	0.562
TOTAL AFRICAN LDCs (31 countries)	3.745	3.624	3.831	3.689	3.400	3.590
DEVELOPING AFRICA	66.556	68.813	73.654	78.827	80.672	82.078

Source: ECA

Table A.8: African LDCs, Manufacturing value added at 1980 prices
(US$ billion)

	1987	1988	1989	1990	1991	1992
1. BENIN	0.103	0.123	0.127	0.133	0.136	0.140
2. BOTSWANA	0.069	0.079	0.084	0.088	0.092	0.098
3. BURKINA FASO	0.340	0.343	0.327	0.343	0.359	0.366
4. BURUNDI	0.068	0.069	0.069	0.074	0.050	0.083
5. CAPE-VERDE	0.002	0.002	0.002	0.002	0.002	0.002
6. COMOROS	0.009	0.009	0.009	0.009	0.009	0.009
7. DJIBUTI	0.016	0.015	0.014	0.015	0.015	0.015
8. ETHIOPIA	0.526	0.535	0.546	0.525	0.488	0.516
9. GAMBIA	0.019	0.020	0.019	0.019	0.019	0.019
10. GUINEA	0.046	0.053	0.057	0.060	0.064	0.068
11. GUINEA-BISSAU	0.012	0.017	0.019	0.018	0.017	0.017
12. EQUATORIAL GUINEA	0.001	0.001	0.001	0.001	0.001	0.001
13. LESOTHO	0.049	0.059	0.067	0.071	0.075	0.079
14. LIBERIA	0.070	0.068	0.066	0.033	0.033	0.033
15. MALAWI	0.158	0.163	0.177	0.197	0.199	0.215
16. MALI	0.119	0.130	0.137	0.139	0.148	0.158
17. MAURITANIA	0.058	0.056	0.052	0.050	0.052	0.054
18. MOZAMBIQUE	0.492	0.540	0.583	0.498	0.498	0.498
19. NIGER	0.102	0.190	0.200	0.208	0.208	0.204
20. UGANDA	0.132	0.162	0.194	0.208	0.222	0.236
21. CENTRAL AFRICAN REPUBLIC	0.079	0.087	0.111	0.115	0.089	0.118
22. TANZANIA	0.388	0.415	0.447	0.482	0.509	0.526
23. RWANDA	0.230	0.238	0.239	0.245	0.239	0.245
24. SAO TOME & PRINCIPE	0.002	0.001	0.001	0.000	0.002	0.002
25. SIERRA LEONE	0.050	0.048	0.043	0.045	0.046	0.047
26. SOMALIA	0.115	0.109	0.103	0.098	0.079	0.064
27. SUDAN	0.645	0.638	0.643	0.675	0.719	0.765
28. CHAD	0.192	0.187	0.227	0.237	0.247	0.257
29. TOGO	0.077	0.080	0.088	0.098	0.084	0.112
TOTAL AFRICAN LDCs (29 countries)	4.169	4.437	4.652	4.686	4.701	4.947
ZAIRE	3.200	2.980	2.680	2.680	2.010	2.680
ZAMBIA	0.814	0.811	0.807	0.778	0.778	0.802
TOTAL AFRICAN LDCs (31 countries)	8.183	8.228	8.139	8.144	7.489	8.429
DEVELOPING AFRICA	37.439	38.407	38.893	39.712	40.214	43.090

Source: ECA

Table A.9: African LDCs, Construction value added at 1980 prices
(US$ million)

	1987	1988	1989	1990	1991	1992
1. BENIN	0.084	0.076	0.077	0.080	0.081	0.084
2. BOTSWANA	0.045	0.053	0.070	0.076	0.088	0.097
3. BURKINA FASO	0.149	0.161	0.163	0.167	0.175	0.182
4. BURUNDI	0.080	0.077	0.083	0.089	0.098	0.108
5. CAPE-VERDE	0.029	0.030	0.031	0.027	0.030	0.030
6. COMOROS	0.014	0.014	0.014	0.014	0.014	0.014
7. DJIBUTI	0.023	0.023	0.023	0.024	0.025	0.025
8. ETHIOPIA	0.169	0.164	0.156	0.140	0.127	0.131
9. GAMBIA	0.011	0.012	0.015	0.019	0.020	0.020
10. GUINEA	0.089	0.138	0.156	0.175	0.196	0.220
11. GUINEA-BISSAU	0.021	0.021	0.023	0.022	0.025	0.026
12. EQUATORIAL GUINEA	0.002	0.003	0.004	0.003	0.003	0.003
13. LESOTHO	0.046	0.052	0.072	0.088	0.094	0.101
14. LIBERIA	0.019	0.019	0.019	0.019	0.019	0.019
15. MALAWI	0.061	0.076	0.081	0.081	0.084	0.088
16. MALI	0.092	0.096	0.102	0.109	0.112	0.115
17. MAURITANIA	0.064	0.068	0.076	0.079	0.083	0.087
18. MOZAMBIQUE	0.180	0.180	0.186	0.188	0.208	0.208
19. NIGER	0.071	0.082	0.094	0.097	0.088	0.090
20. UGANDA	0.005	0.007	0.007	0.007	0.010	0.013
21. CENTRAL AFRICAN REPUBLIC	0.027	0.026	0.020	0.021	0.013	0.022
22. TANZANIA	0.206	0.231	0.168	0.184	0.194	0.220
23. RWANDA	0.059	0.063	0.062	0.058	0.053	0.056
24. SAO TOME & PRINCIPE	0.008	0.008	0.010	0.010	0.009	0.009
25. SIERRA LEONE	0.048	0.035	0.052	0.049	0.049	0.049
26. SOMALIA	0.054	0.054	0.054	0.054	0.029	0.029
27. SUDAN	0.392	0.384	0.426	0.306	0.432	0.439
28. CEAD	0.010	0.011	0.012	0.019	0.019	0.019
29. TOGO	0.042	0.039	0.039	0.042	0.043	0.044
TOTAL AFRICAN LDCs (29 countries)	2.100	2.203	2.295	2.246	2.421	2.548
ZAIRE	0.040	0.040	0.040	0.040	0.030	0.040
ZAMBIA	0.130	0.130	0.117	0.106	0.109	0.112
TOTAL AFRICAN LDCs (31 countries)	2.270	2.373	2.452	2.392	2.560	2.700
DEVELOPING AFRICA	19.540	19.605	19.628	19.852	20.075	20.730

Source: ECA

Table A.10: African LDCs, major eport commodities
(US$ million)

Commodities/years	1987	1988	1989	1990E
Minerals	2383.0	2804.6	3442.3	3083.3
of which:				
1. Bauxite	433.9	435.1	448.3	440.5
2. Aluminium	95.7	85.0	111.2	108.3
3. Copper	22.7	45.9		
4. Iron ore	350.8	360.8	562.3	373.2
5. Nickel-Copper (*)	70.4	203.9	263.4	436.6
6. Phosphate rock	87.2	109.0	140.8	125.0
7. Tin	1.6	0.9	4.8	7.2
8. Diamonds	983.6	1206.4	1588.2	1243.8
9. Uranium	287.5	273.3	231.7	237.4
10. Gold	49.6	84.3	91.7	111.3
Agricultural	2924.5	3050.3	3242.1	3083.6
of whih:				
1. Groundnuts oil	21.5	37.2	33.3	32.7
2. Cocoa beans	90.2	70.4	52.5	60.5
3. Coffee	912.4	931.7	916.4	744.5
4. Cotton	546.6	566.1	662.5	841.9
5. Palm oil	9.6	13.4	13.4	13.4
6. Lamb	364.5	346.2	314.0	283.0
7. logs	77.0	128.0	131.9	61.4
8. Hides and skins	84.7	89.1	87.9	90.4
9. Rubber	92.7	110.4	110.4	...
10. Tobacco	187.2	209.9	186.4	215.0
11. Tea	61.5	72.4	78.7	97.4
12. Sugar	40.9	44.7	39.1	36.9
13. Bananas	21.4	25.0	27.0	30.4
14. Gum hashab	95.0	53.3	64.0	82.6
15. Sesame	47.9	59.8	141.6	186.7
16. Sisal	4.4	4.8	3.2	2.9
17. Fish	267.0	287.9	379.9	303.8

(*) Nickel et cuivre à partir de 1989
Sources: - "International Financial Statistics", IMF. January 1992
- ECA

Table A.11: African LDCs, price indices of major export commodities (1985=100)

Commodities/years	1987	1988	1989	1990E
Minerals:	121.0	171.3	175.0	169.7
1. Bauxite	100.3	100.3	113.8	115.7
2. Aluminium	[illegible]8	526.2	397.7	336.5
3. Copper	[illegible]7	183.3	198.7	187.9
4. Iron ore	82.0	83.9	91.4	93.2
5. Nickel	101.2	272.4	267.1	183.2
6. Phosphate rock	92.3	107.5	120.9	120.9
7. Tin	67.2	70.3	88.7	84.2
8. Diamonds	164.3	203.6	212.2	212 0
9. Uranium	121.1	105.1	85.8	97.4
10. Gold	140.7	137.7	120.2	121.1
Agricultural:	105.6	113.1	109.6	107.9
1. Groundnut oil	55.2	65.2	85.6	104.0
2. Groundnut meal	110.7	143.1	137.0	128.3
3. Cocoa beans	88.6	70.2	55.1	55.5
4. Coffee	80.4	66.2	68.4	53.2
5. Cotton	126.8	106.0	126.8	133.5
6. Palm oil	64.5	84.3	70.6	57.4
6. Lamb	110.8	116.9	119.2	119.2
7. Logs	162.6	171.4	164.9	153.6
8. Hides ans skins	156.0	171.3	175.9	185.5
9. Rubber	105.6	116.8	116.6	119.7
10. Tobacco	85.3	88.2	94.6	95.9
11. Tea	86.1	90.2	101.4	99.2
12. Sugar	133.0	147.7	142.5	158.3
13. Bananas	99.8	126.7	144.6	149.7
17. Fish	136.9	194.4	146.0	141.1
Global index	112.5	141.0	143.3	138.3

Sources: - "International Financial Statistics", IMF. January 1992
- ECA

Table A.12: African LDCs, Public and publicly garanteed debt (US$ million)

	1986	1987	1988	1989	1990
1. BENIN	328	927	909	1046	1262
2. BOTSWANA	129	509	498	509	510
3. BURKINA FASO	281	744	767	648	750
4. BURUNDI	118	712	756	832	850
5. CAPE-VERDE	21	127	129	132	144
6. COMOROS	43	188	188	162	177
7. DJIBOUTI	26	154	158	133	145
8. ETHIOPIA	669	2535	2791	2886	3116
9. GAMBIA	97	266	273	291	304
10. GUINEA	1003	1859	1999	1966	2230
11. GUINEA BISSAU	128	402	417	461	544
12. EQUATORIAL GUINEA	93	173	184	203	206
13. LESOTHO	57	250	274	313	372
14. LIBERIA	515	1118	1084	1073	1126
15. MALAWI	625	1161	1186	1242	1366
16. MALI	669	1906	1911	2043	2305
17. MAURITANIA	718	1846	1820	1777	1898
18. MOZAMBIQUE		3683	3739	3885	4053
19. NIGER	383	1244	1286	1126	1326
20. UGANDA	643	1656	1688	1976	2301
21. CENTRAL AFRICAN REPUBLIC	147	544	582	642	815
22. TANZANIA	1886	4292	4471	4611	5294
23. RWANDA	150	564	613	603	692
24. SAO TOME & PRINCIPE	24	86	96	109	129
25. SIERRA LEONE	329	552	540	532	606
26. SOMALIA	995	1743	1779	1813	1922
27. SUDAN	3822	8041	8002	8469	9156
28. CHAD	194	262	303	317	430
29. TOGO	899	1052	1065	947	1096
TOTAL AFRICAN LDCs (29 countries)	14542	38588	39508	40747	45127
ZAIRE	4263	7205	6911	7912	8851
ZAMBIA	6140	4428	4415	4196	4784
TOTAL AFRICAN LDCs (31 countries)	24949	50221	50834	52855	58762

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.13: Private non-guaranteed debt
(US$ million)

	1986	1987	1988	1989	1990
1. BENIN	0	0	0	0	0
2. BOTSWANA	0	0	0	0	0
3. BURKINA FASO	0	0	0	0	0
4. BURUNDI	0	0	0	0	0
5. CAPE-VERDE	0	0	0	0	0
6. COMOROS	0	0	0	0	0
7. DJIBUTI	0	0	0	0	0
8. ETHIOPIA	0	0	0	0	0
9. GAMBIA	0	0	0	0	0
10. GUINEA	0	0	0	0	0
11. GUINEA BISSAU	0	0	0	0	0
12. EQUATORIAL GUINEA	0	0	0	0	0
13. LESOTHO	0	0	0	0	0
14. LIBERIA	0	0	0	0	0
15. MALAWI	0	0	0	0	0
16. MALI	0	0	0	0	0
17. MAURITANIA	0	0	0	0	0
18. MOZAMBIQUE	0	17	18	11	19
19. NIGER	305	254	256	259	261
20. UGANDA	0	0	0	0	0
21. CENTRAL AFRICAN REPUBLIC	0	0	0	0	0
22. TANZANIA	84	15	13	13	12
23. RWANDA	0	0	0	0	0
24. SAO TOME & PRINCIPE	0	0	0	0	0
25. SIERRA LEONE	0	0	0	0	0
26. SOMALIA	0	0	0	0	0
27. SUDAN	325	372	374	496	496
28. CHAD	0	0	0	0	0
29. TOGO	0	0	0	0	0
TOTAL AFRICAN LDCs (29 countries)	714	658	661	779	788
ZAIRE	0	0	0	0	0
ZAMBIA	87	0	0	0	2
TOTAL AFRICAN LDCs (31 countries)	801	658	661	779	790

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.14: African LDCs, Long-term external debt
(US$ million)

	1986	1987	1988	1989	1990
1. BENIN	328	927	909	1046	1262
2. BOTSWANA	129	509	498	509	510
3. BURKINA FASO	281	744	767	648	750
4. BURUNDI	118	712	756	832	850
5. CAPE-VERDE	21	127	129	132	144
6. COMOROS	43	188	188	162	177
7. DJIBUTI	26	154	158	133	145
8. ETHIOPIA	659	2535	2791	2886	3116
9. GAMBIA	97	266	273	291	304
10. GUINEA	1003	1859	1999	1966	2230
11. GUINEA BISSAU	128	402	417	461	544
12. EQUATORIAL GUINEA	53	173	184	203	206
13. LESOTHO	57	250	274	313	372
14. LIBERIA	515	1113	1084	1073	1126
15. MALAWI	625	1161	1186	1242	1366
16. MALI	669	1906	1911	2043	2306
17. MAURITANIA	718	1846	1820	1777	1898
18. MOZAMBIQUE		3700	3757	3896	4072
19. NIGER	688	1698	1542	1385	1587
20. UGANDA	641	1656	1688	1976	2301
21. CENTRAL AFRICAN REPUBLIC	247	544	582	642	815
22. TANZANIA	1970	4307	4494	4624	5306
23. RWANDA	150	564	613	603	692
24. SAO TOME & PRINCIPE	24	86	96	109	129
25. SIERRA LEONE	323	552	540	532	606
26. SOMALIA	595	1743	1779	1813	1922
27. SUDAN	4147	6815	8376	8965	9652
28. CHAD	194	242	303	317	430
29. TOGO	889	1052	1065	947	1096
TOTAL AFRICAN LDCs (29 countries)	15256	39256	40169	41526	45915
ZAIRE	4261	7205	6911	7912	8851
ZAMBIA	2233	4428	4415	4196	4786
TOTAL AFRICAN LDCs (31 countries)	21750	50889	51495	53634	59552

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.15: African LDCs, Short-term external debt
(US$ million)

	1980	1987	1988	1989	1990
1. BENIN	73	206	147	121	156
2. BOTSWANA	4	4	4	4	6
3. BURKINA FASO	35	78	75	69	84
4. BURUNDI	12	37	13	16	13
5. CAPE-VERDE	0	11	5	3	8
6. COMOROS	1	15	11	13	13
7. DJIBUTI	6	29	26	47	50
8. ETHIOPIA	57	98	133	107	128
9. GAMBIA	23	23	14	12	3
10. GUINEA	80	137	172	148	215
11. GUINEA BISSAU	5	31	35	33	43
12. EQUATORIAL GUINEA	7	11	12	15	26
13. LESOTHO	8	4	6	2	3
14. LIBERIA	81	241	295	371	422
15. MALAWI	116	95	50	48	60
16. MALI	24	76	54	46	57
17. MAURITANIA	65	120	182	165	259
18. MOZAMBIQUE	0	332	400	552	572
19. NIGER	159	76	105	107	157
20. UGANDA	64	66	83	107	144
21. CENTRAL AFRICAN REPUBLIC	25	29	38	38	48
22. TANZANIA	306	465	507	319	420
23. RWANDA	26	39	42	45	68
24. SAO TOME & PRINCIPE	0	7	8	20	16
25. SIERRA LEONE	53	360	368	445	475
26. SOMALIA	47	90	126	173	268
27. SUDAN	585	2193	2680	4045	4775
28. CHAD	11	38	37	28	31
29. TOGO	113	102	86	164	113
TOTAL AFRICAN LDCs (29 countries)	1986	5013	5715	7262	8612
ZAIRE	326	580	835	639	744
ZAMBIA	586	1179	1476	1643	1488
TOTAL AFRICAN LDCs (31 countries)	2898	6772	8026	9544	10844

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.16: African LDCs, Use of IMF credits
(US$ million)

	1980	1987	1988	1989	1990
1. BENIN	16	7	4	10	9
2. BOTSWANA	0	0	0	0	0
3. BURKINA FASO	15	6	3	1	0
4. BURUNDI	36	21	32	40	43
5. CAPE-VERDE	0	0	0	0	0
6. COMOROS	0	0	0	0	0
7. DJIBUTI	0	0	0	0	0
8. ETHIOPIA	79	76	55	30	6
9. GAMBIA	16	38	35	38	45
10. GUINEA	35	40	49	61	51
11. GUINEA BISSAU	1	5	3	5	5
12. EQUATORIAL GUINEA	16	12	14	9	6
13. LESOTHO	6	2	5	10	15
14. LIBERIA	80	327	309	299	322
15. MALAWI	80	117	106	100	115
16. MALI	24	76	54	46	57
17. MAURITANIA	61	79	71	69	70
18. MOZAMBIQUE	0	17	41	56	74
19. NIGER	16	122	95	85	85
20. UGANDA	89	273	252	225	282
21. CENTRAL AFRICAN REPUBLIC	24	52	50	35	37
22. TANZANIA	171	113	141	129	140
23. RWANDA	14	7	4	1	0
24. SAO TOME & PRINCIPE	0	0	0	1	1
25. SIERRA LEONE	59	116	109	105	108
26. SOMALIA	18	175	166	150	159
27. SUDAN	431	954	905	884	956
28. CHAD	14	20	17	24	31
29. TOGO	33	85	78	75	87
TOTAL AFRICAN LDCs (29 countries)	1343	2739	2597	2487	2704
ZAIRE	373	966	786	628	521
ZAMBIA	447	991	940	900	949
TOTAL AFRICAN LDCs (31 countries)	2163	4696	4323	4015	4174

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.17: African LDCs, Total external debt stock
(US$ million)

	1980	1987	1988	1989	1990
1. BENIN	417	1140	1060	1177	1427
2. BOTSWANA	135	513	502	513	516
3. BURKINA FASO	331	828	845	718	834
4. BURUNDI	166	770	801	888	906
5. CAPE-VERDE	21	138	134	135	152
6. COMOROS	44	203	199	176	190
7. DJIBUTI	32	183	185	180	195
8. ETHIOPIA	805	2709	2979	3023	3250
9. GAMBIA	137	327	322	341	352
10. GUINEA	1118	2036	2220	2175	2496
11. GUINEA BISSAU	134	438	455	498	593
12. EQUATORIAL GUINEA	76	196	211	227	237
13. LESOTHO	71	256	285	325	390
14. LIBERIA	685	1686	1688	1743	1870
15. MALAWI	821	1373	1342	1390	1541
16. MALI	717	2058	2019	2135	2420
17. MAURITANIA	844	2045	2073	2011	2227
18. MOZAMBIQUE	1386	4049	4198	4504	4718
19. NIGER	863	1696	1742	1577	1829
20. UGANDA	794	1995	2023	2308	2727
21. CENTRAL AFRICAN REPUBLIC	196	625	670	715	900
22. TANZANIA	2447	4885	5132	5072	5866
23. RWANDA	190	610	658	648	741
24. SAO TOME & PRINCIPE	24	92	104	130	146
25. SIERRA LEONE	435	1028	1017	1082	1189
26. SOMALIA	660	2008	2071	2136	2349
27. SUDAN	5163	11562	11961	13894	15383
28. CHAD	218	320	357	368	492
29. TOGO	1045	1239	1229	1186	1296
TOTAL AFRICAN LDCs (29 countries)	19972	47008	48460	51275	57230
ZAIRE	5034	8776	8886	9451	10544
ZAMBIA	2819	5607	5891	5839	6274
TOTAL AFRICAN LDCs (31 countries)	27825	61391	63057	66565	74048

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.18: African LDCs, Principal repayments on external debt
(US$ million)

	1980	1987	1988	1989	1990
1. BENIN	6	17	13	9	7
2. BOTSWANA	6	36	38	36	62
3. BURKINA FASO	11	18	24	18	19
4. BURUNDI	4	29	28	26	28
5. CAPE-VERDE	0	4	4	3	3
6. COMOROS	0	0	0	0	0
7. DJIBUTI	2	9	10	9	8
8. ETHIOPIA	17	148	177	197	169
9. GAMBIA	0	17	12	12	33
10. GUINEA	76	116	93	75	51
11. GUINEA BISSAU	3	4	4	5	2
12. EQUATORIAL GUINEA	2	8	3	5	4
13. LESOTHO	3	9	17	15	15
14. LIBERIA	18	5	8	3	1
15. MALAWI	35	72	64	55	63
16. MALI	9	45	54	45	41
17. MAURITANIA	26	76	87	66	44
18. MOZAMBIQUE	0	20	20	23	20
19. NIGER	57	81	89	74	60
20. UGANDA	49	120	157	129	93
21. CENTRAL AFRICAN REPUBLIC	7	15	15	19	15
22. TANZANIA	74	59	53	57	81
23. RWANDA	3	14	12	17	10
24. SAO TOME & PRINCIPE	1	2	1	2	1
25. SIERRA LEONE	48	7	8	3	7
26. SOMALIA	11	27	2	18	5
27. SUDAN	131	42	58	45	16
28. CHAD	5	4	5	8	7
29. TOGO	19	50	50	48	43
TOTAL AFRICAN LDCs (29 countries)	623	1055	1104	1021	908
ZAIRE	277	272	213	446	203
ZAMBIA	269	90	96	112	115
TOTAL AFRICAN LDCs (31 countries)	1169	1417	1413	1579	1226

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.19: African LDCs, Interest payments on external debt
(US$ million)

	1986	1987	1988	1989	1990
1. BENIN	14	23	15	17	8
2. BOTSWANA	8	34	34	33	37
3. BURKINA FASO	12	19	18	21	16
4. BURUNDI	4	18	19	16	14
5. CAPE-VERDE	0	4	4	2	2
6. COMOROS	0	1	1	1	1
7. DJIBUTI	2	5	6	6	6
8. ETHIOPIA	27	63	90	84	55
9. GAMBIA	4	8	8	7	14
10. GUINEA	33	49	35	37	21
11. GUINEA BISSAU	2	6	3	7	7
12. EQUATORIAL GUINEA	1	4	3	1	1
13. LESOTHO	2	6	8	8	8
14. LIBERIA	35	10	11	0	0
15. MALAWI	53	40	41	40	43
16. MALI	7	24	24	21	24
17. MAURITANIA	22	39	45	37	25
18. MOZAMBIQUE	0	21	31	43	23
19. NIGER	84	84	86	48	35
20. UGANDA	12	43	41	44	34
21. CENTRAL AFRICAN REPUBLIC	3	13	11	11	11
22. TANZANIA	77	64	67	61	60
23. RWANDA	5	10	11	12	11
24. SAO TOME & PRINCIPE	0	1	1	3	2
25. SIERRA LEONE	16	8	12	9	17
26. SOMALIA	2	10	3	14	5
27. SUDAN	133	55	121	50	33
28. CHAD	1	4	4	4	5
29. TOGO	34	40	79	43	43
TOTAL AFRICAN LDCs (29 countries)	593	708	832	680	560
ZAIRE	265	197	183	164	152
ZAMBIA	142	63	68	65	62
TOTAL AFRICAN LDCs (31 countries)	1000	968	1083	909	774

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.20: African LDCs, Total service on external debt
(US$ million)

	1986	1987	1988	1989	1990
1. BENIN	20	40	28	26	15
2. BOTSWANA	14	70	72	69	98
3. BURKINA FASO	23	37	42	39	35
4. BURUNDI	8	47	47	42	42
5. CAPE-VERDE	0	8	7	5	5
6. COMOROS	0	2	1	1	1
7. DJIBOUTI	4	14	16	15	14
8. ETHIOPIA	44	211	267	281	224
9. GAMBIA	4	26	20	19	47
10. GUINEA	109	165	128	112	72
11. GUINEA BISSAU	5	10	7	12	9
12. EQUATORIAL GUINEA	3	12	5	6	5
13. LESOTHO	6	15	24	22	22
14. LIBERIA	53	15	19	3	1
15. MALAWI	86	115	105	95	106
16. MALI	16	69	78	66	65
17. MAURITANIA	48	115	132	103	69
18. MOZAMBIQUE	0	41	51	66	43
19. NIGER	141	165	175	122	93
20. UGANDA	60	163	198	173	127
21. CENTRAL AFRICAN REPUBLIC	10	28	26	30	26
22. TANZANIA	151	123	120	118	141
23. RWANDA	8	24	23	29	22
24. SAO TOME & PRINCIPE	1	3	2	3	3
25. SIERRA LEONE	84	15	20	12	24
26. SOMALIA	13	37	5	32	10
27. SUDAN	264	97	179	95	49
28. CHAD	6	7	9	12	12
29. TOGO	53	90	129	91	86
TOTAL AFRICAN LDCs (29 countries)	1215	1763	1936	1701	1468
ZAIRE	562	469	396	610	355
ZAMBIA	411	153	164	177	177
TOTAL AFRICAN LDCs (31 countries)	2168	2385	2496	2488	2000

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.21: African LDCs, External debt ratio
(as % of exports of goods and services)

	1986	1987	1988	1989	1990
1. BENIN	36	75	67	79	77
2. BOTSWANA	18	27	28	24	23
3. BURKINA FASO	88	183	184	176	156
4. BURUNDI	180	681	576	759	934
5. CAPE VERDE	33	155	159	126	117
6. COMOROS	280	586	419	367	391
7. DJIBUTI	25	93	91	83	87
8. ETHIOPIA	136	428	468	404	529
9. GAMBIA	207	262	219	203	194
10. GUINEA	202	318	349	293	286
11. GUINEA BISSAU	1676	2841	2616	3236	3071
12. EQUATORIAL GUINEA	514	439	417	503	478
13. LESOTHO	19	58	59	37	42
14. LIBERIA	112	389	322	351	459
15. MALAWI	261	426	401	428	397
16. MALI	223	477	465	479	431
17. MAURITANIA	307	459	427	409	450
18. MOZAMBIQUE	307	1730	1621	1662	1573
19. NIGER	133	359	406	417	479
20. UGANDA	240	597	761	830	1532
21. CENTRAL AFRICAN REPUBLIC	96	316	337	334	400
22. TANZANIA	318	999	1012	943	1070
23. RWANDA	103	339	374	411	494
24. SAO TOME & PRINCIPE	101	1127	903	1357	1779
25. SIERRA LEONE	158	562	648	612	669
26. SOMALIA	252	2136	3571	3141	4225
27. SUDAN	499	1202	1081	1323	1791
28. CHAD	306	174	157	184	163
29. TOGO	180	223	245	235	212
TOTAL AFRICAN LDCs (29 countries)	190	401	405	402	426
ZAIRE	209	440	367	399	457
ZAMBIA	173	622	471	409	450
TOTAL AFRICAN LDCs (31 countries)	191	420	405	402	432

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.22: African LDCs, External debt ratio
(as % GNP)

	1986	1987	1988	1989	1990
1. BENIN	36	75	67	79	77
2. BOTSWANA	16	40	29	23	21
3. BURKINA FASO	19	33	31	28	26
4. BURUNDI	18	70	75	82	84
5. CAPE VERDE	15	59	51	48	40
6. COMOROS	36	103	97	89	77
7. DJIBUTI	12	53	52	50	53
8. ETHIOPIA	20	50	53	51	54
9. GAMBIA	61	206	171	174	146
10. GUINEA	69	103	98	85	90
11. GUINEA-BISSAU	128	273	301	298	321
12. EQUATORIAL GUINEA	140	170	170	192	163
13. LESOTHO	11	39	39	43	44
14. LIBERIA	82	166	157	163	171
15. MALAWI	72	122	105	90	85
16. MALI	44	110	105	108	100
17. MAURITANIA	126	247	229	213	227
18. MOZAMBIQUE	58	323	385	417	385
19. NIGER	35	81	77	79	74
20. UGANDA	63	55	50	74	92
21. CENTRAL AFRICAN REPUBLIC	25	61	62	68	71
22. TANZANIA	47	150	173	186	264
23. RWANDA	16	26	28	30	35
24. SAO TOME & PRINCIPE	51	176	225	292	315
25. SIERRA LEONE	41	188	93	120	146
26. SOMALIA	110	209	212	210	281
27. SUDAN	131	80	127	118	163
28. CHAD	30	40	34	37	45
29. TOGO	95	103	93	92	82
TOTAL AFRICAN LDCs (29 countries)	54	91	97	99	110
ZAIRE	36	119	101	111	147
ZAMBIA	78	319	177	134	188
TOTAL AFRICAN LDCs (31 countries)	51	101	102	103	118

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.23: African LDCs, external debt service ratio
(as % of exports of goods and services)

	1986	1987	1988	1989	1990
1. BENIN	2	3	2	2	1
2. BOTSWANA	2	4	4	3	4
3. BURKINA FASO	6	8	9	10	7
4. BURUNDI	9	42	34	36	43
5. CAPE VERDE	0	8	9	5	4
6. COMOROS	3	5	2	3	1
7. DJIBUTI	3	7	8	7	6
8. ETHIOPIA	7	33	42	38	36
9. GAMBIA	6	20	14	11	26
10. GUINEA	20	26	20	15	8
11. GUINEA BISSAU	57	66	41	79	45
12. EQUATORIAL GUINEA	17	26	10	15	10
13. LESOTHO	2	4	5	3	2
14. LIBERIA	9	3	4	1	0
15. MALAWI	28	36	31	29	27
16. MALI	5	16	18	15	12
17. MAURITANIA	17	26	27	21	14
18. MOZAMBIQUE	0	18	20	24	14
19. NIGER	22	35	41	32	25
20. UGANDA	18	49	74	62	71
21. CENTRAL AFRICAN REPUBLIC	5	14	13	14	12
22. TANZANIA	20	25	24	22	26
23. RWANDA	4	13	13	18	14
24. SAO TOME & PRINCIPE	5	39	21	51	34
25. SIERRA LEONE	23	8	13	7	13
26. SOMALIA	5	39	9	47	18
27. SUDAN	26	10	16	9	6
28. CHAD	8	4	4	6	4
29. TOGO	9	16	26	18	14
TOTAL AFRICAN LDCs (29 countries)	12	15	16	13	11
ZAIRE	23	24	17	26	15
ZAMBIA	25	17	13	12	13
TOTAL AFRICAN LDCs (31 countries)	15	16	16	15	12

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.24: African LDCs, interest payments
(as % of exports of goods and services)

	1986	1987	1988	1989	1990
1. BENIN	1	2	1	1	0
2. BOTSWANA	1	2	2	2	2
3. BURKINA FASO	3	4	4	5	3
4. BURUNDI	4	16	14	14	14
5. CAPE VERDE	0	4	5	2	1
6. COMOROS	3	4	2	3	1
7. DJIBUTI	1	2	3	3	3
8. ETHIOPIA	5	10	14	11	9
9. GAMBIA	6	7	5	4	8
10. GUINEA	6	8	5	5	2
11. GUINEA-BISSAU	20	39	19	45	36
12. EQUATORIAL GUINEA	5	9	5	2	2
13. LESOTHO	1	1	2	1	1
14. LIBERIA	6	2	2	0	0
15. MALAWI	17	13	12	12	11
16. MALI	2	6	6	5	4
17. MAURITANIA	8	9	9	8	5
18. MOZAMBIQUE	0	9	12	16	8
19. NIGER	13	18	20	13	9
20. UGANDA	4	13	15	16	19
21. CENTRAL AFRICAN REPUBLIC	1	7	6	5	5
22. TANZANIA	10	13	13	11	11
23. RWANDA	3	5	6	8	8
24. SAO TOME & PRINCIPE	1	10	10	35	21
25. SIERRA LEONE	6	4	8	5	10
26. SOMALIA	1	11	5	21	9
27. SUDAN	13	6	11	5	4
28. CHAD	1	2	2	2	2
29. TOGO	6	7	16	9	7
TOTAL AFRICAN LDCs (29 countries)	6	6	7	5	4
ZAIRE	11	10	8	7	7
ZAMBIA	9	7	5	5	4
TOTAL AFRICAN LDCs (31 countries)	7	7	7	5	5

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.25: External debt of African LDCs, 1987-1991 (29 countries)
(US$ million)

	1987	1988	1989	1990	1991E
Public and publicly garanteed debt	38598	39508	40747	45127	45899
Private nongaranteed debt	658	661	779	788	879
Long-term debt	39256	40169	41526	45913	46778
Short-term debt	5013	5715	7262	8612	8778
Use of IMF credit	2739	2597	2487	2704	2546
Total external debt stock	47008	48480	51275	57230	58102
Principal repayments	1055	1104	1021	908	1033
Interest payments	708	832	680	560	714
Total debt service	1763	1936	1701	1468	1747
GNP of African LDCs (29 countries)	51852	49787	51606	52195	51742
Exports of goods and services	11714	11965	12755	13447	12911
Debt ratio (% of exports)	401	405	402	426	450
Debt ratio (% of GNP)	91	97	99	110	112
Debt service ratio (% of exports)	15	16	13	11	14

Source: World Bank's "World Debt Tables, 1991/1992".

Table A.26: External debt of African LDCs, 1987-1991 (31 countries)
(US$ million)

	1987	1988	1989	1990	1991E
Public and publicly garanteed debt	50231	50834	52855	58762	59786
Private nongaranteed debt	658	661	779	790	881
Long-term debt	50889	51495	53634	59552	60667
Short-term debt	6772	8026	9544	10844	11158
Use of IMF credit	4696	4323	4015	4174	4007
Total external debt stock	62357	63843	67193	74569	75832
Principal repayments	1417	1413	1579	1226	1441
Interest payments	968	1083	909	774	956
Total debt service	2385	2496	2488	2000	2397
GNP of African LDCs	60981	61700	64517	62712	64750
Exports of goods and services	14610	15580	16548	17150	16621
Debt ratio (% of exports)	427	410	406	435	456
Debt ratio (% of GNP)	102	103	104	119	117
Debt service ratio (% of exports)	16	16	15	12	14

Source: World Bank's "World Debt Tables, 1991/1992".